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ESSAY, *&c.*

PART THE FIRST.

ON THE

SUPPOSED DIRECT ADVANTAGES

OF A

SINKING FUND.

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SUPPOSED ADVANTAGES

OF A

SINKING FUND.

BY LORD GRENVILLE.

Γηράσκω δ' ἀιὲι πολλὰ διδασκόμενος.

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PREFACE.

THE following pages contain one part only of an Essay which had been intended for publication at the opening of the present Session of Parliament. Severe illness has stopped the progress, and prevented the completion of my design. Under these circumstances, it has not been without much hesitation that I have determined to lay before the public this portion of a work in all respects so very imperfect. I should certainly not have done so, had I consulted only the feelings of an author. But

my original purpose was of a far higher order. It was directed to the hope of contributing what might be practically useful in a discussion of very urgent interest, and great permanent importance to our country. And that hope, even in the much smaller degree in which I can now entertain it, would, in the present state of the question, be utterly defeated by any further delay. Such as it is, therefore, I now submit what I have written to the examination and judgment of those who are to take, or to influence this great decision. On the force of the argument, in so far as it has been pursued, and on the validity of the conclusions which I deduce from it, it is for them to determine.

It is, however, just that I should here distinctly avow, that I have availed myself, without reserve, of the lights which have been thrown upon this subject by many writers of the present age, to whose praise nothing could be added by my enumeration of them. And I am particularly bound to acknowledge, that it was by the well-known treatise of Dr. Hamilton, that my thoughts on this matter were, I believe, first directed into their present channel. But I am not aware that the question has ever yet been placed before the public exactly in the same point of view in which I have here considered it; and with respect to the distinguished writer whom I have named, there are not a few of the topics on

which I have most dwelt, as well as some others which I have not had occasion so particularly to notice in this Essay, respecting which his opinions, if I rightly apprehend them, differ, I regret to say it, very much from mine.

Throughout the inquiry, I have not scrupled to question many long-established and deeply-rooted prepossessions. I have done so with unfeigned distrust of my own judgment, but under impressions long since received, and confirmed by much reconsideration of them. Truth alone is my object; and, without the free examination of previously received opinion, no branch of human knowledge can ever be advanced.

Since the above was written, it has occurred to me that, from the imperfect form of this publication, I may appear, on one point of considerable importance, guilty of some injustice,—certainly I intended none,—towards the authors of the Act of 1786. I have omitted to notice here, but I had meant to have dwelt much upon it in a subsequent part of my work, that the principle of unlimited accumulation was expressly excluded from that law, by a provision which limited to four millions the sinking fund then established. A wise precaution, shewing an early and just apprehension of the evils since felt from an opposite policy!

DROPMORE, MARCH 15, 1828.

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ESSAY,

&c.

INTRODUCTION.

When politicians tell us of the unvaried uniformity of their opinions and conduct, one is tempted sometimes to ask by what supernatural power they were gifted in their cradle with infallibility. To fallible men small would be the praise of having retained through life, on the most important subjects, a judgment, unimproved by cultivation or exercise, untaught by experience, and of every advance in science utterly regardless. Far more estimable in themselves, and unmeasurably more beneficial to mankind, are those qualities which lead men conversant

in government and legislation both to the ready abandonment of error, and to its undisguised avowal.

Such is the justification, if any justification can be requisite, of the total change of sentiment which is expressed in the following essay. Few measures have been more largely applauded than the Act of Parliament which established, in 1786, a sinking fund for the reduction of our national debt. The writer of these pages was himself a party to the too sanguine hopes of those who framed and proposed that law; confidently believing it one of the greatest services which could then be rendered to their country. To that opinion he long adhered; and even now, after the lapse of more than forty years, he feels it still painful to renounce so flattering a persuasion. But the interests of truth and science are paramount to all such considerations; and he who was formerly among the warmest advocates of a sinking fund, is, on that account, the more strongly bound to avow, on every fit occasion, the distrust which

he now entertains of its efficacy and real benefit. This is the true consistency of public duty.

Such an occasion now presents itself. After repeated changes made in the Act of 1786, the State has been once more driven avowedly to support its sinking fund by borrowing; a policy which is, in fact, though not in name, a virtual suspension of the whole system: and Parliament, pressed by fresh difficulties and doubts, is expected now to pronounce definitively on the re-establishment, modification, or abandonment of that important measure. Under these circumstances some advantage may possibly be derived from an attempt, however imperfect, to examine separately, each on its own grounds, the most prominent among the many topics which that deliberation must embrace.

CHAPTER I.

GENERAL PRINCIPLES.

For the prosecution of this design, there are three leading principles, which it is, I think, necessary to establish in the very outset of the discussion. These are, First, the entire dependance of every sinking fund on an actually existing surplus of revenue: Secondly, the consequent inutility of all borrowed sinking funds: And, Thirdly, the no less evident impossibility of deriving benefit from a sinking fund operating in times of war, or of otherwise deficient revenue. Of these it will be proper to speak separately. The two last of them are indeed little more than corollaries, deduced from the first by immediate and obvious conclusion. They might therefore have been assumed as virtually included in it. But a distinct and separate, though

brief statement of them, seems more consonant to the course of particular examination attempted in this Essay.

§ 1. *Necessity of a surplus Revenue for the support of a Sinking Fund.*

Never should he who undertakes to treat of any question connected with a sinking fund, overlook, even for an instant, the absolute and continual necessity of providing for it an effective surplus of revenue. Under no circumstances can any sinking fund be productive of real benefit, except where the ordinary income of the State has been carried to an amount permanently exceeding its current expenditure. To the neglect of this fundamental truth, a very large proportion of the errors which have prevailed in this branch of financial policy, is, as I think, mainly to be ascribed. Without such an exceeding, firmly established and invariably applied, a sinking fund may indeed exist in name, but it can have no solid operation.

Even when the revenue of a State is most deficient, some portions of it may, as we know, both from our past and present experience, be nominally appropriated to the purposes of a sinking fund: but, by such appropriations, the public debts are in no degree diminished. The veriest prodigal may annually discharge a part of what he owes; but if, on the whole, he expends within the year much more than he receives, he will find, at its close, his encumbrances not lessened, but considerably increased.

To reduce debt is the only object of a sinking fund. To the efficacy, therefore, and consequently to the wisdom of such an institution, two conditions are indispensable: first, the continued existence of the surplus from which it is to be supplied; and, secondly, the uninterrupted appropriation of that surplus to the reduction of debt. The very name of a sinking fund implies the recurrence of fixed payments at regular and stated periods: the casual application of occasional resources is a notion quite distinct from that of such a fund.

§ 2. *Inutility of borrowed Sinking Funds.*

This first principle, simple and obvious as it is, dispels at once the greatest of all the misconceptions by which this subject has been but too long obscured. It proves beyond all power of dispute, what I do not hesitate to term, the utter worthlessness, the total and hopeless inutility of a borrowed sinking fund. A nation may often find it useful, sometimes absolutely necessary, to eke out a deficient revenue by loans raised for its current service. But to resort to any such expedient in the establishment or support of a sinking fund created for the reduction of debt, is a policy self-contradictory, and for the most part deeply injurious to its own purposes.

There is indeed one well-known case in which the repayment of debt from borrowed money is advantageous to the debtor. A general fall in the rate of interest may enable him to compel his creditor, if such be the nature of their contract, either to consent to a similar reduction in his own case, or to accept of the repayment of his capital,

to be effected by money borrowed elsewhere at a cheaper rate. This course, we know, has often been successfully followed by our own legislature. But such a measure has nothing in common with that which we are here considering. It differs completely, both in principle and in effect, from the application of a borrowed sinking fund, to purchase stock at its market-price. In the first of these two cases it is an evident benefit to the community to release itself from a more burdensome contract by money borrowed on terms of less disadvantage. But to the second no such reasoning applies. Can it be profitable to any man to buy up in the open market his own engagements, with money raised at the same moment, and in the same market, by a corresponding issue of similar securities? Would not the mere fact of his resorting to such an operation be more likely to injure than to improve his credit, if for no other reason, at least from the total want which it would imply of all judgment and intelligence in the conduct of his affairs? The exchange of two equal parcels

of the same commodity, two yards of the same cloth, or two ounces of the same ingot, would at best be a mere loss of time and trouble. But the similar operation which takes place, when debt is redeemed by a fresh creation of debt, is much worse than nugatory: it is almost always prejudicial to the debtor. And this is most especially the case with respect to the pecuniary transactions of the State. The extent and urgency of the public necessities operate in these dealings strongly against the government. A considerable profit must accrue to the contractor, by the intervention of whose capital these large exchanges are effected. And, when the loans wanted for other public services are on this account augmented, the whole must be raised on terms of proportionally increased disadvantage.

I am well aware how entirely this unqualified condemnation of all borrowed sinking funds is opposed to the practice, which has now for so long a course of years been followed by our own country, and imitated by so many others. But I cannot with truth profess, even on that

account, any distrust of the judgment which I have here ventured so confidently to express. It is sanctioned, if I do not greatly deceive myself, by a very general change in the public opinion on this point. Here, as in almost every other branch of political science, a better philosophy has in these later days established far sounder principles, both of inquiry and of judgment. Nor is it at all surprising that the progress of knowledge, in all these cases, should have so much outrun its practical application. Great changes in government and legislation are scarcely ever expedient until there has arisen in the community, not merely a speculative preference of the better course, but an active and growing desire for its adoption. And such a sentiment the public discussions now to be expected on this question, are, I trust, well calculated to produce. If, therefore, even in the present year (1827) money has again been borrowed by our government for upholding a deficient sinking fund, we may not the less reasonably hope that this will, at least in England, be the last instance ever to be ex-

hibited of such a policy. It was, in this case, suggested only as a temporary expedient which might give room for the promised revision of the whole system; and, on the result of that inquiry, who will now propose that we should again recur to schemes of borrowed sinking funds? To reduce debt by borrowing to the same amount on terms of equal or greater disadvantage, is a manifest fiction in finance;—a fiction in that branch of government, in which, above all others, fiction is most to be condemned. Its mischief is nothing less than this; it disguises from the country, and, in some degree, from the government, and from Parliament itself, the real state of some of our most important interests; throwing over them a false colour of progressive improvement in the very moments when the public debt is most rapidly increasing, and when the public revenue has become most unequal to its charge. That the British Parliament should at any time have lent itself, and under whatever misconception, to a measure capable of producing these groundless impressions, all men, I think, must now

regret; and who more than those who once participated in that delusion? But when, at last, the fallacy has ceased to deceive ourselves, it would ill become us to impose it upon others. Never again may any just legislature, or any enlightened community forget, that the only surplus from which a nation can, with sincerity and truth, reduce its debt, is a surplus accruing, not from loans, but from revenue.

§ 3. *Inefficacy of Sinking Funds operating in War.*

If the foregoing reasonings are correct, there necessarily follows from them another most important limitation of the whole question to be now submitted to Parliament. No sinking fund, it is thus evident, can truly exist, except in periods of peace; and in reference therefore to those periods only can the revival or abandonment of such a system be reasonably made matter of debate. In war, no man expects that our income will ever equal our expenditure: how then can it afford an excess of millions for the reduction of debt? Whatever surplus may

have been created for that purpose in peace, a new war will at once absorb; and, in that moment, vanishes all possibility of benefit from the sinking fund. A visionary permanence may indeed even then be given to it by law; its useless forms may be continued, in vain semblance of that which once was powerful and active; but its vital spirit we cannot so preserve. When the dog-star has drunk up the stream, what provinces will its empty channel fertilize?

§ 4. *Opposition of these Principles to those of our present Sinking Fund.*

It must not however be disguised, that the opinions thus stated as fundamental to this whole subject, lead at once, and by inevitable conclusion, to no modification or change, but to the total abandonment of our present sinking fund. The laws of that institution, and its whole course and operation are, not incidentally or partially, but essentially and universally opposed to all which has here been said. Though first established in peace, and founded in an assumed

surplus of revenue, it has been nominally continued through long periods of war; and, during the far greater part of the more than forty years of its existence, it has been either wholly or partially supported by loans heaped on loans. The failure of its original surplus was, in the very first moment of returning war, supplied by borrowing; and we have, ever since that time, to a greater or less amount, and in various, though sometimes not easily intelligible forms, borrowed again, with little intermission, throughout its whole continuance. This indeed was its natural and necessary course, and this the very principle of its existence. By no other means than these could its operations, such as they are prescribed by law, have been carried on during this long period of difficulty and pressure. The facts are here stated therefore, without any, the most distant, purpose of censure or reproach on those under whose councils the system has been thus administered. Far otherwise. The course pursued was of the very essence of the measure to which it was applied. The

avowed principles of that measure were, and still are, that the operations of the fund which it established shall be continued in war, no less than in peace, and that its consequent deficiencies shall be made good by borrowing. Take from it this support, feeble as it is, and the whole fabric crumbles into the dust.

More than a century ago, and in the very outset of a sinking fund, its first authors adopted this expedient as an essential part of their system. And, at a later period, Dr. Price, whose suggestions so powerfully contributed to its revival, founded on the same basis all his hopes of its promised utility. Periods of public distress, he contended, would, by the depression of the funds, accelerate its operation: and he even brought himself to believe, that the rate of interest on which the State might thenceforth borrow money would thus become comparatively indifferent. "For the higher the interest," he says, "the sooner would such a fund pay off the principal;"*—the

* Price on Annuities, 4th Edit. Vol. I. passim. See particularly pp. 187, 204, &c.

more violent the fever, the greater would be the power of the medicine to relieve it! This theory, self-evident as he imagined it, completely erroneous as it now appears, he urged with ceaseless vehemence, loading with reproach the government and legislature of his country, by whom these vain imaginations had been, after some experience of them, for nearly half a century utterly renounced. "The sinking fund," he says, "was established in 1716, and began its operations in 1719." It was at first strictly appropriated to the reduction of debt; "and so well," he adds, "did our ministers then understand the nature and importance of this fund, that rather than encroach upon it, they frequently borrowed money to defray the necessary expenses of government." In other words, they frequently supported their sinking fund by borrowed surpluses, and this not in war only, but in peace. They seem to have thought it no contradiction to increase debt in the very moments of professing to reduce it. But so great an inconsistency did not long escape the sagacity of Walpole;

a minister, who, in some other instances, no less than in this, seems not a little to have outrun the wisdom of his contemporaries. By measures which, notwithstanding all the clamour of his opponents, it would be very difficult to censure on any just ground of reasoning, he diverted the sinking fund from these unreal and simulated operations, to fresh exigencies of the public service as they successively arose; thereby saving to his country the imposition of new taxes, or the creation of new debt. For about forty years afterwards the same policy governed our councils, under some of our best, and wisest statesmen. They judged it the most beneficial course, as it unquestionably was the most natural, to attempt the reduction of debt in those periods only when the revenue of the State exceeded its expenditure. Nor did they show much solicitude to increase the taxation of their country for the purpose of providing it with such a surplus. Their reductions of debt were principally, though not wholly, effected by the falling in of

annuities, and by the diminutions successively made in the rate of interest on the public securities, by such tenders of repayment as I have above adverted to.

But, in the days of Price, the principles of 1716 regained the public favour; and, in 1786, they were re-established by almost universal acclamation, as the main bulwark of our finance, and the unfailing sources of incalculable benefit. To this change the circumstances of the moment powerfully contributed. At the close of the American war, the loss of our long-cherished colonies, to our possession of which such false notions of advantage had been attached, the magnitude of the debt incurred in that fruitless contest, and the deficiency of the revenue created to defray its charge, had thrown over our financial prospects a cloud of distrust and apprehension, scarcely to be imagined but by those who witnessed it. Nor were there wanting strong grounds for these impressions, exaggerated as they were. The real pressure of our burdens was, at that time, extremely severe: more grievous per-

haps, in proportion to our wealth, than in any succeeding period of our greatest difficulties. The nation gave way therefore to an almost universal panic on this subject. The ordinary course of our finance was thought no longer adequate to our necessities: resort must be had for safety, it was said, to some new, or, at least, to some long untried expedient. Under these circumstances it was, that the project of establishing a new sinking fund, which should accumulate, uninterruptedly, at compound interest, through every vicissitude of peace and war, and which, on that assumption, would be demonstrably capable of being carried, at least in figures, to any assignable amount, captivated all imaginations. The country grasped, almost without inquiry, at promises of relief so specious and so ample; adopting, with unbounded confidence, a remedy proclaimed on no light authority to be of efficacy nothing less than omnipotent.*

It can be no reproach to any individual to have partaken largely in these feelings;—

* Price, Vol. I, 252.

no reproach, I trust, to any public man to have co-operated with earnestness and zeal, both in preparing, and in supporting a measure so consonant to the wishes of his country. And least of all can censure be attached on this account to that able and excellent Statesman, who framed and carried through the act of 1786. Allowing for the impressions at that time so generally prevalent, there is, on the contrary, much of his conduct on that occasion, for which he is justly entitled to the highest praise. With an ardent and generous spirit, devoting all its energies to the national prosperity, he risked, and in no small degree surrendered his highly valued popularity to the necessity of the large additional taxation which that measure compelled him to establish and to maintain. This was no light sacrifice, nor did he feel it such. But he anticipated in return, with unspeakable delight, the full tide of wealth which, in some distant, but auspicious moment, the results of these disinterested exertions were to pour in upon his country. What he so ardently wished, he

willingly believed. His persuasion of the great advantages of a sinking fund to be continued in war, and to be upheld by borrowing in all periods of deficiency, was therefore deeply rooted, not in his judgment only, but also in his feelings. To these opinions he clung with unvaried fondness; and his provisions for giving effect to them, although, on more than one occasion, widely departed from by his successors, still form, even in the present moment, the leading features of the system, in so far as it can still be said to exist at all.

Yet shall we now, in deference to his great authority, seek to revive this nearly extinguished project, or to re-construct on the same foundations any similar institution? If we have learnt from the improved knowledge of the present age, that this structure, which he believed to be a main tower of our strength, rests on a basis unequal even to its own support, shall we not act as he would himself have acted under a similar conviction? Shall we not labour to devise some other less objectionable plan,

under which his purpose may be executed? or, if this be found impracticable, shall we not rather abandon the whole design, than adhere to hopes and projects which we now perceive to be, in their very essence, self-contradictory, and therefore manifestly delusive?

CHAPTER II.

OPERATION AND RESULTS OF OUR PRESENT SINKING FUND.

For a full examination, however, of the questions with which I closed the preceding chapter, and which comprise the whole substance of the decision now expected from Parliament, our sinking fund, such as it has been established and confirmed by law, must be considered with reference not only to its fundamental principles, the erroneous character of which I have here endeavoured to demonstrate, but also to its actual operation and results. It will thus appear in what degree the general reasonings here stated have been confirmed by our own experience. This is indeed a far wider, and more difficult inquiry. For who can hope to discover, and to appreciate with accuracy, all the remote and incidental changes which this great engine may possibly have worked in the complicated state of our society and government? But, in propor-

tion as the topics to be thus inquired into are found more numerous and intricate, the more urgent is the necessity, the greater will be the advantage, of subjecting them to distinct and separate investigation.

Setting aside, therefore, for the present, all question of the indirect and collateral consequences which have resulted from this institution, let us, in the first instance, endeavour to ascertain what has been its immediate and direct operation in respect of its two great objects, the increase of the national wealth, and the reduction of the national encumbrances. That it must powerfully contribute to both these purposes, has long been the general opinion of our country. In this belief the measure of 1786 was first adopted: by the prevalence of such impressions it rapidly dissipated the panic which had preceded it; and the continued operation of the same system has very commonly been represented as one of the great pillars of our safety throughout all our more recent difficulties. And on that supposition, how inestimable would have been its value! But

it can justly pretend to no such glory. Under the favour of Providence, the true elements of our success in that great contest for all which could be dear to us, are to be found in the character of our people, and in the spirit of its legislation and its government; —all formed in a long course of centuries by our unrivalled political institutions. When, therefore, amidst the fresh praise, and gratitude, and ardent attachment which these institutions have thus merited from us, any portion of such feelings is claimed for our inconsistent and delusive arrangements of finance, we owe it to the best interests of society to shew how little our experience has warranted that vain imagination.

But where shall this experience be looked for? Not in columns and tables of figures, highly useful for many other purposes, but which in this inquiry can exhibit to us only the outward and ostensible workings of this complicated mechanism. To judge rightly of its real movements and results, we must, if I mistake not, consider it much more deeply. Our attention must be directed to its internal principles of action; to the first origin and

real nature of its powers, and to the necessary laws and limits of their operation. The more thoroughly these are examined, the more fully, I think, we must be satisfied how vain and valueless is all which it has ever done, and all which it ever could do, for the advantage of the public. The indirect operation to be expected from such an institution, I propose, as I have already said, separately to examine in a subsequent part of this Essay. Its whole immediate course and effect may, if I do not greatly deceive myself, be accurately stated under the following propositions; which will of course be found equally applicable to all future institutions resting on the same principles, and established under similar regulations.

First, All the direct benefit of which this establishment can, on the most favourable supposition, have been productive, consists in its having, from time to time, placed at the free disposal of the community certain portions of annual taxation previously appropriated to the interests of our public debt.

Secondly, All the means by which it has actually produced this effect have been sup-

plied to it by surplus taxation, levied in excess of the current expenditure of the State, and therefore imposed or continued solely for this especial purpose.

Thirdly, Under the mutual counteraction of these two conflicting principles, the one of released, the other of superadded taxation, all the operations of this fund may be resolved into mere exchanges of equivalents; tending in a precisely equal degree to increase and to lessen the wealth of the community, and therefore equally incapable either of advancing its prosperity, or diminishing its burthens.

And, fourthly, The application of the powers of compound interest to these transactions has only enlarged their amount, without at all varying the self-contradiction of their principles, or the inefficiency of their results.

These views of this subject differ much from the long received opinions respecting it. Before we attempt therefore to draw any inference from them, they must, in conformity to the design of this essay, be separately considered.

§ 1. *The direct Benefit derived from this Fund consists in the release of previously appropriated Taxation.*

The first of these propositions relates to the direct advantages which have been derived to the community from those reductions of debt which this fund has effected. Correctly to estimate these advantages, we must establish with precision, in what operations such reductions have actually consisted, and what are the beneficial consequences of which those operations are naturally productive? The answer to these two questions cannot be doubtful. The reductions of debt have consisted in the purchases which the sinking fund has made of certain annuities due from the State to its creditors; and the benefit accruing to the community from such purchases, is to be found in the release of the annual taxation appropriated to those payments.

These propositions require no proof. But they are the foundations of all further reasoning on these subjects. It may, there-

fore, not be superfluous in this place to speak somewhat more particularly of both.

Our public debt consists not in capital, but in annuities; and all reductions of it are therefore reductions, not of capital, but of annuities. That debt is continually spoken of as if it were composed of the nominal amount of our public securities; but it is really composed only of the annual payments guaranteed by those securities. Nothing is debt except what some person may, in justice or in equity, demand; and no one can claim from the nation any part of the principal of our public funds. The annual income which the stockholder derives from them, is all which, in any sense, is his right; but that right is inviolable. The State has not borrowed his money at interest, under an obligation of repayment, but has sold to him an annuity. To such a transaction, the words, *loans* and *debts*, *capitals* and *interests*, are not strictly applicable. It would now indeed be a vain attempt to banish even from our technical language a verbal inaccuracy so general and so long established. But, in the study of our national finance, the distinction

itself is of much importance. It has been very generally disregarded, and its neglect has greatly complicated these discussions, which for the public interest could not have been made too simple. In private concerns we find no such confusion. There, when annuities are intended to be sold, that purpose is so expressed: when money is lent, under an obligation of repayment, the sum advanced constitutes its principal; its interest is computed at the rate truly agreed upon by the parties; and its repayment at such periods, definite or indefinite, as they have stipulated, extinguishes the debt. In our public loans, on the contrary, we create an imaginary capital, to which we assign a fictitious rate of interest. A million of money is advanced to us at a real interest, suppose of six per cent.; but we grant in return for it two millions of stock, bearing an assumed interest of three per cent. And we reserve to the State a right of extinguishing that interest by a money-payment, not of one million, but of two. The substance of such transactions, and their relative advantage to the contracting parties, may indeed be presumed to be

little, if at all, varied by these singularly embarrassed forms. Competition, wherever it freely operates, has a natural tendency as certainly and as correctly to regulate exchange in these, as in any more simple dealings. But the fiction, if nugatory, is not therefore harmless. What fiction was ever harmless in finance? Many are the false reasonings, numberless and monstrous the projects of injustice which originate only in the misconception of these facts. What invidious comparisons do we not daily hear between the sums actually advanced to the state by its creditors, and the much larger amount of debt supposed to have been created in their favour! Had it been remembered that our debt consists only in annuities, no such error could have been committed. On this imaginary capital, swelled to whatever amount, the stockholder has no claim. It serves only to express the price at which the State may, at its own convenience, redeem its engagements. And this is an advantage reserved only to the debtor. By the State it has been sometimes

used to lower the rate of these annuities; as when, on a general fall of interest, the five per cents. have, by a tender of repayment, been reduced to four, or the four per cents. to three. But when interest rises, the stock-holder has not, like the private creditor, a corresponding right of enforcing, by a demand of repayment, the proportionate increase of that annuity, which, as we have seen, constitutes his whole property in the debt.

All these particulars are of general notoriety. But familiar as they are, they have not always been present to the minds of those who have discussed these subjects. The least attention to them would at once have dispelled all notion of any undue advantage accruing to the public creditor, merely from the needless complication of the form which has been thus given to our loans. It would also have obviated an error, much less important certainly than this, yet not without its inconvenience; the habit, I mean, which is but too common even among the best writers on these subjects, that of esti-

mating, either wholly or in part, the comparative merits of different plans of finance, by their more or less rapid progress towards the extinction of that nominal capital, which is commonly believed to constitute our debt. It would be going perhaps too far to affirm, that in this respect all these plans are alike indifferent. But it may at least be most confidently said, that the diminution, not of the capital, but of the annual charge of this debt, is the main object to be kept in view for the promotion of the public interests, and for the alleviation of the public burthens.

If then, the purchase of these annuities is all which the sinking fund has contributed towards the reduction of debt, in what consists its benefit? Undeniably, in the release of so much of the public revenue as was appropriated to their payment. Such is indeed the familiar, perhaps the universal notion on this subject. The repeal of taxation is the advantage generally expected from the sinking fund. The nominal capital of a debt not demandable is comparatively indifferent to all, but all severely feel its annual charge.

And their hope is, that at some period, however remote, the gradual reduction of debt will finally reduce the taxation which now defrays that charge.

This is no doubt an object most highly desirable; and any real progress made towards its accomplishment must be recognized by all as an evident public benefit. To place at the disposal of the community any portion of its now appropriated taxation is, indisputably, to augment its wealth. And this is equally true, whether the taxes thus set free are thenceforth immediately repealed, or are applied either to fresh exigencies of the State, or to the more rapid reduction of debt. In all these cases alike, the immediate benefit accruing to the community from the purchases of the sinking fund is the same, in whatever mode it may subsequently be made available. What the nation first acquires in this case is a fresh command over its own resources; a new power, either of increased accumulation or increased expenditure. And who does not see that this is itself an increase of wealth?

§ 2. *The effective Operations of this Fund are supported only by surplus Taxation.*

But of the true value of this benefit we shall form a very different estimate, when we extend our inquiries to the means by which it has been realized. It is the result, we are told, of the purchases of stock made by our sinking fund. It is so. But whence was the wealth derived which this fund so employed? Whence could it be derived but from the public contributions: from the impoverishment therefore, in the first instance, of that very community which these operations are finally intended to enrich?

The national wealth of any country is nothing else but the aggregate of the wealth of the individuals of whom the community consists. And from this source all its public services are ultimately defrayed. The particular establishment which we are now considering was first founded on an estimated surplus of revenue; and its operations have

been effective only in so far as it has been supported by some actual surplus of that description. And what is the public revenue of any community, but that portion of its wealth which its legislature withdraws from private accumulation or enjoyment, for purposes deemed to be of common benefit? As long as in our own country these purposes included only the current services of the State, so much only as those services required, was withdrawn by taxation from private wealth. But when the reduction of debt was also to be attempted, this new charge demanded fresh sacrifices: and a surplus taxation was thenceforth levied on the nation, which otherwise would either never have been imposed, or, if already existing, might have been repealed. For every portion, therefore, of previously appropriated wealth, which our sinking fund has placed at the disposal of the community, it has withdrawn from the same community a corresponding portion of wealth previously free and unappropriated. This is an universal truth, which no details of num-

ber or amount can vary. Quantity forms no part of its elements. Whether the operations of this fund have extended to millions, or to hundreds of millions, their character is uniform. In every such transaction, national wealth has been purchased by the sacrifice of national wealth; the purchase has released taxation, the sacrifice has augmented it.

And here who can forbear to ask himself, in what respect it is a more reasonable or more real operation to reduce taxation by taxing, than to pay debt by borrowing? But I postpone for the present these reflections. The statement of this part of our subject is still incomplete.

§ 3. *The Reductions of Debt thus effected, are mere Exchanges of Equivalents.*

All direct benefit which results to the nation from the operations of this fund, is thus invariably purchased by a corresponding sacrifice, precisely of the same descrip-

tion. And it may with no less certainty be shewn, that in all these cases the benefit and the sacrifice have uniformly been of exactly equal value. The benefit has consisted in the purchase of certain public annuities, and in the consequent release of the taxation appropriated to their payment. The sacrifice has consisted in the cost of those purchases, and in the superadded taxation from which that cost has been defrayed. But, under the laws of this institution, in that respect justly and providently guarded against abuse, all these purchases have been made by free competition in the open market. Each portion of stock so bought was, therefore, at the period of its purchase, the precise equivalent of the money which was paid for it, and consequently the precise equivalent also of the taxation by which that money was levied. This is self-evident. When a shilling is the market price of a quartern loaf, those quantities of money and of bread are equivalents. They are freely exchanged against each other, and each of them commands the same quantities

of other commodities; of beer for instance, or of meat. And what other notion than this have we of equivalence? Such is not only the scientific, but also the popular view of this subject.

"The intrinsic value of a thing," (says Hudibras)
"Is just so much as it will bring."

Thus then do these operose and complicated transactions universally resolve themselves into simple exchanges of equivalents. They boast to have added millions to our wealth, to have removed millions from our encumbrances; and they promise to us a continual succession of similar, and increasing benefits. But every gift which they have conferred on the community, they had previously exacted from it. The water was drawn from the same reservoir into which it is poured back: some loss of it each of these transfers has produced; but what can either of them have added to it?

Disappointing as this statement is, when contrasted with the visions which once dazzled the imaginations of the wisest, yet

such we see must be the result, not of this sinking fund alone, but of every plan for buying up the public debts, at their market price, with the public money, whether raised by loans, or by taxation. The system is one of self-counteraction in all its parts. The money which thus redeems debt is all drawn from the wealth of the debtor; and the mode of the redemption shuts out all possibility of his profiting by the transaction. Both these circumstances prove alike, and beyond denial, the utter inefficiency of the whole project.

The great importance of this topic, in reference to the questions which now wait the decision of Parliament, has indeed alone led me to dwell upon it thus minutely. It is one example only of an universal and obvious truism. Every purchase made at the market price, implies on both sides an equal transfer of exchangeable value. How that price is adjusted by competition, and in what manner, by the very nature of that adjustment, it includes the due returns to the producers of the commodity, for the labour,

and skill, and capital, employed upon it, are things too well known to be here detailed. But when this adjustment has thus been made, the exchange of the commodity itself against its market price is, and must be an exchange of equivalents.

We may thus, I think, very confidently determine, that, notwithstanding all expectations, and all promises on the subject, the nation cannot possibly have derived any direct profit from a system of buying up its debts at their market price. Of its indirect consequences I shall hereafter speak. But the inevitable conclusion resulting from the premises which have been thus far stated, might, if it were necessary, be still further confirmed, by a reference to similar transactions in private life; the best of all instruments for the discovery of truth in political economy. Suppose, for instance, that, instead of our whole community, any one of its numerous merchants or manufacturers has borrowed money at interest, which he can repay only by withdrawing a portion of the capital invested in his trade. This, if

his creditor can demand the repayment of his debt, may be a necessary, but will it be a profitable operation? Will he voluntarily resort to it so long as no such demand can be made upon him? What will be its consequences? It will neither increase nor diminish the sum total of his wealth. He will owe less, but he will also have less. He will cease to pay interest on the debt which he discharges, but he will cease also to receive profit on the wealth which effects that discharge. This change in his affairs may probably subject him to loss: but how extraordinary would be the case in which it could produce to him countless and unmeasureable gains!

But this example, it may be said, applies only to so much of the national wealth as the taxes levied for the sinking fund withdraw from profitable investment. Be it so. What then is the case of wealth withdrawn for a like purpose from direct enjoyment? A landed proprietor, with money saved from the proceeds of his estate, buys out, at the market price, a rent-charge with which it

is burthened. What profit does he find in the exchange? By the saving he has no doubt increased his wealth. And thus also may a community enrich itself by saving, although no sinking fund had ever been once thought of. But the question here is, what fresh profit, what direct and immediate gain, belongs to this particular mode of applying such savings, after they have been already realized? The bargain has absolutely no such result. The landholder, like the merchant, extinguishes the charge to which he was liable, but he does so only at the cost of a full equivalent in the money which he possessed. The purchase, if truly made at its market rate, may be matter of convenience to him, but certainly not of gain.

In both these cases indeed, as well as in that which they are here brought to illustrate, the objects thus reciprocally exchanged are equivalent portions, not merely of wealth in general, but of the same particular class and description of wealth; equivalent portions of money. In the ordinary course of commerce, money purchases commodities

or labour: but in these transactions, money is exchanged against itself. It is in this article alone that the merchant and his creditor, the landholder and his annuitant, the public and its stockholder, deal with each other. The thing purchased is an annuity; in other words, a series of future money-payments; and the price given for it is a present money-payment of equal value. And that relative amount of each which constitutes their equivalence, wholly depends (all other things being supposed the same), on the current and known rate of interest at the period when the bargain is concluded; a matter of certain and familiar calculation. How vain then must be the hope of realising, from a long course of such exchanges, a direct, considerable, and, as some have thought, almost inestimable, gain! As well might we expect such profit from continually exchanging against each other equal values in the parts of a well-regulated currency; a thousand sovereigns against two thousand half-sovereigns, or a million of crowns against five times as many shillings.

If these notions are correct, it is quite evident that the conclusion which they establish cannot possibly be affected by any extraneous and contingent consequences of these measures. Such a transaction consists only in the mutual transfer, to one party of a present, and to the other of a deferred money-payment. When this transfer has been made, the business is concluded; and in estimating its actual profit or loss to either party, it must be matter of complete indifference in what manner the other party may thereafter employ the money which he has so acquired; whether he may apply it to productive or to unproductive use. The farmer who has sold his wheat at its market price, has obtained for it neither more nor less than a just equivalent; and this is equally true, whether the purchaser shall afterwards employ that article in reproduction, or in consumption; whether he shall sow it in his furrows, or grind it in his mill. The tenant who accepts his lease on equitable terms, does not concern himself to ask whether his rent will be expended in the purchase of horses or of books, in gardening or in building.

Yet, however fully our judgment may be satisfied, that the purchase of stock, at its market price, can produce profit to no one, I am well aware what deep and powerful impressions will still force back upon our imagination the belief, that any reduction of the public debt, by whatever extent, or accumulation of sacrifices it may have been effected, must, in its ultimate effect, be a measure beneficial to the community. If it be so in the case which we are here considering, we have at least seen that such benefit cannot be its direct and immediate result, but must flow from its more remote, and indirect, though possibly inevitable, consequences. That wide topic, and all which belongs to it, I have reserved to a succeeding portion of this Essay. For our present purpose, it is sufficient to remark, that if it be on any such grounds truly advantageous to the State to employ in this year any given sum, say five millions of money, in the purchase of stock, that advantage will be neither greater nor less, because a similar operation took place in the last year, or may be expected in the next. The profit of the

exchange so made depends in no degree on any progressive course or series of such measures. Nor is it consonant either to the dignity or to the wisdom of an enlightened legislature to guard against its own presumed improvidence by an engagement, directed only to distant and contingent benefit, and which, under many supposable events, may in the mean time be found to have been of very doubtful policy. Yet such is the conduct of every state which, instead of simply adopting such a measure whenever the circumstances of the time may appear to favour it, prescribes to itself, by law, and for its own supposed advantage, the inviolable maintenance of a sinking fund, appropriated under all possible events to the continuance of similar operations!

§ 4. *These Results have in no degree been varied by the Application of Compound Interest to the Operations of this Fund.*

Dr. Price, though far from concurring in the views here taken of this subject, was

however, fully sensible how little progress could be made in the reduction of our national encumbrances by the simple application of any surplus which our revenue could afford. "It is far from probable," he says, "that any money which the nation can spare, if applied so as to bear only simple interest, can be capable of reducing its debts within due bounds, or of doing us, in our present circumstances (1781?) any essential service." * He strongly urged, therefore, the necessity of strengthening that feeble machinery, by what have since so frequently been termed the magical powers of compound interest. And magical indeed they appeared in his representation of them. "It has been said," (I quote his own words,) "that when money is wanted for defraying public expenses, it makes no difference whether it is obtained by diverting the sinking fund, or by a new loan. There cannot be a worse fallacy. Money in a sinking fund, if never alienated, is improved, I have shewn, at *compound* interest; but, when procured by a loan, bears only *simple* interest.

* Price, Obs. Vol. I. p. 201.

A nation, therefore, whenever it applies the income of such a fund to current expenses rather than the redemption of its debts, chooses to lose the benefit of compound interest, in order to avoid paying simple interest; and the loss in this case is equal to the difference between the increase of money at compound and simple interest. The following calculation will show what this difference is.

"One penny put out at our Saviour's birth to five per cent. compound interest, would, in the present year, 1781, have increased to a greater sum than would be contained in two hundred millions of earths, all solid gold. But if put out to simple interest, it would, in the same time, have amounted to no more than seven shillings and sixpence! All governments that alienate funds destined for reimbursements, choose to improve money in the last, rather than the first of these ways."*

What an astonishing disparity would this be, if we could see in it, as he did, the result

* Price, Obs. Vol. I. p. 227, &c.

of two different modes of employing, or, as he terms it, of *improving* the same amount of wealth! But, alas, the vision is too truly denominated magical! It is as unreal as it is splendid. While it yet dazzles our senses, and confounds our imagination, one drop from the pure fountain of science has already dissolved the charm. We look again, and, instead of the enchanted palaces, glittering with mountains and *earths* of gold, we see only the ordinary gifts of nature, and the products of patient and persevering industry. By these alone, as all reason and all experience teach us, can wealth be either created or multiplied: every other agency, pretending to any such effect, is mere illusion; transferring, perhaps, but never increasing riches.

The redemption of debt at its market-price can be accelerated only by applying to it additional means of purchase. And it is accordingly asserted that compound interest has actually furnished such additions to our present sinking fund; rendering it thereby, instead of a feeble and insufficient, a most effectual and powerful instrument of our public credit,

prosperity and wealth. This pretension I have already ventured generally to deny. These additions have been supplied, not by compound interest, but by surplus taxation, or by loans, which have again led to further taxation. This matter however must here be more particularly examined.

In what, then, really consists the application of compound interest to the institution of a sinking fund? Divested of technical language and visionary calculations, the answer is simply this. Such application consists in adding to the income of the sinking fund the annuities which that fund successively redeems. Those annuities, or, more properly speaking, the portions of revenue from which they were defrayed, are, as we have already seen, so many fresh surpluses, which the sinking fund annually places at the disposal of the community. And in the different modes of applying these surpluses consists, in this case, the whole difference between simple and compound interest. A system of simple interest leaves them applicable to the repeal of taxation, or to the exigency of any

other service;—by compound interest, they are appropriated to the increase of the sinking fund.

These are the two modes of reducing the public debts, whose comparative efficacy Dr. Price professed to estimate. But in this parallel he has assumed, without proof, the identity of the amount of wealth so employed. The two operations are so far from being identical in this respect, that in this very point the difference between them essentially consists. The only reason why the same original sum employed at compound interest reduces debt faster than at simple interest, is because there is thus expended for that purpose, within the same period, a much larger amount of wealth. And what wonder is it, if with more money more stock is bought? Who does not see that a capital without its interest cannot be identical with the same capital increased by the addition of its interest; that an annuity of a hundred pounds is less than one of a hundred and five pounds, and that this difference will increase as often as fresh interests are added to the latter sum, while the

former continues unaltered? Must we not conclude, therefore, without meaning the smallest disrespect to the memory of Price, that his whole reasoning on this subject is fallacious? The results which he has so strikingly contrasted, the few shillings of the one case, and the inestimable riches of the other, are really the products, not, as his argument supposes, of the same amount of wealth differently employed, but of very different amounts of wealth similarly employed. He operates in the first instance, with a single annuity of fixed amount, and, in the second, with a mass of annuities increasing by unlimited accumulation. And how could the difference of their power be less than infinite?

This whole matter of compound interest is, indeed, not a discovery in finance, but a mere question of numbers. We are told how much debt will in a given period be redeemed by a given annuity, successively increased in a given ratio. And what is this but a problem purely arithmetical? It depends on no principle of political economy. It leaves untouched that which is, in such a case, the

main object of inquiry for any practical result. These sums may be accurately calculated according to their prescribed data: we may by law appropriate such payments to the sinking fund, whenever we have the means of making them. But from what source will they be derived, and by whom will their charge be borne? On these questions the accountant is silent:—can the statesman therefore overlook them? They are the very tests of the whole merit of the system. They disprove alike the reality of its expected benefit, and the possibility of its long-continued operation. As fast as any such fund accumulates, the annual taxation must also accumulate, from which it is to be defrayed. If, instead of Price's two hundred millions of globes of solid gold, each of so many thousand miles in diameter, we could suppose his fund to have increased *only* up to as many ounces of the same metal, the taxes to be levied for it in a single year would fall little short of the whole nominal capital of our present debt!

And accordingly it is in this view of our subject, though seen on so much more re-

duced a scale, that the nullity of our actual sinking fund seems to me again to force itself upon us with irresistible conviction. All which it can have paid it must previously have received. And from whom? From the community itself. The original surplus which was its assumed basis, and the additional payments which have since been carried to it, under whatever name, all stand, as to their source and supply, precisely on the same footing. For many years both were alike procured by loan; and whenever this vain expedient has not been resorted to, both have been alike derived from surplus taxation. Every portion of unborrowed wealth which this fund has ever received, or poured forth, has been previously withdrawn by the State, for that especial purpose, from private accumulation or enjoyment. Taxes required for no other service, were, in the first instance, levied for the establishment of such an institution; taxes not required either for its establishment or its continuance, have been subsequently levied for the payment of the redeemed annuities by which it has been increased. Those annuities

had really expired; but the revenue appropriated to them was, under the name of compound interest, continued for the purpose of this augmentation. No difference in this respect, though much in others, can be assigned between the prolongation of old taxes, and the imposition of new.

Again, the sinking fund has, by the effects of compound interest, greatly extended its transactions. But this increase has in no-wise varied its results. The wheel is indeed enlarged, but it revolves round the same centre. Every part of it still returns in the same succession to the point from which it first sets out. The same process still operates only to the same effect, that of a mere exchange of equivalents. More taxes are paid by the nation, more money is issued to the sinking fund, more annuities are purchased for the public benefit; but the value of the benefit is as before absolutely limited to that of the sacrifice by which it is procured. We have varied the extent of these dealings, but their account is still exactly balanced. It exhibits on the one side a gain to the community by

the money-value of so many millions of stock purchased; and, on the other side, a loss to the community by precisely the same amount of money-value paid in the taxation levied for that purchase.

But however equal this exchange may in itself be, we must not think that its increased magnitude is therefore unattended with increased cost and labour. The fact is far otherwise; and throughout all these proceedings, every expense, and every sacrifice which they occasion, whether direct or indirect, from the first imposition of the tax to the final cancelling of the stock, is to be set down as so much loss to the community, for whose supposed profit alone the whole operation is conducted.

CHAPTER III.

OF THE ATTEMPTED PERMANENCE AND REPEATED INTERRUPTION OF THIS SYSTEM.

§ 1. *The expected Benefits of a Sinking Fund at Compound Interest depend on its unvaried Accumulation.*

How entirely the promised benefit of our present sinking fund has always depended on its permanence, is too manifest to require any proof. Its operations, slow and feeble in the outset, could become powerful only by its long and unvaried accumulation. It was a brook which, by the accession of many waters, might finally swell into a great river: stop or divert their currents, and it must return to its original insignificance.

But for this permanence, so necessary to such a system, can any adequate security be in any case provided? Experience warrants no such expectation. The first sinking fund, with all its strong Parliamentary declarations

and enactments of perpetuity, was speedily diverted from its purpose. That of 1786 was again, with studied, but vain solicitude, "fortified as much as possible against alienation." Such were the words, such the hopes of Mr. Pitt; but in its real operation his system has now little more of substantive existence than that which it replaced. And from these repeated failures there arises an almost irresistible presumption against the practicability of the design itself. To say nothing of Dr. Price, the original proposer of this last plan, Mr. Pitt and his coadjutors, by whom it was adopted and established, were no less solicitous than their predecessors had been, to ensure to their system in all time to come a firm and inviolable observance. They distrusted in their turn the wisdom or the public spirit of those who were to succeed them; and they hoped to provide for the true interests of posterity in this matter, much better than posterity itself. They laboured, therefore, to the utmost of their power to throw round this insecure position a fresh barrier of impenetrable strength. But they have failed of this, as

others had failed before them. And a review of the nature of their attempt, and of the circumstances and causes of its disappointment, must, I think, convince the most sanguine, that no better success can ever attend the renewal of any such endeavour.

§ 2. *Provisions adopted for giving Permanence to the Sinking Fund of* 1786.

The new securities then, which were established for this purpose in 1786, consisted solely of variations, not in the nature or substance of the system, but in the forms of its execution. The effective income of the present sinking fund is all derived, as we have seen, from one common origin in surplus taxation. But by the arrangements here spoken of, the component parts of that income were classed under two very different heads of payment. A fixed yearly allowance is appropriated to this service by Act of Parliament, and issued from the Exchequer to certain commissioners appointed by law. The same commis-

sioners also receive, though in another form, the payments accruing to this fund from the interests of so much of the stock which they have purchased, as still remains standing in their names. These last sums are issued, not directly to them, but to the Bank of England, on their behalf; being included in the general mass of dividends payable on the public debt. The law considers this stock not as cancelled, nor even as *redeemed*, in the common sense of that word, but as transferred from the stock-holder to the sinking fund. That fund, however, we know, has not any substantive existence; it is a mere creature of our minds, an official form in which the State conducts one portion of its affairs. The nation is the true owner of these annuities. It has re-purchased them from its creditors with the public money; and it now pays them to itself with one hand, and receives them from itself with the other. They are called interests, but interests of a debt redeemed. A manifest contradiction in terms!

Here, therefore, we have again new fictions, and fictions surely not very happily de-

vised. What then is their object? Why should the Government apply its own money to its own purposes through the medium of a commission, nominally distinct from itself? Why does not the direct allowance of the sinking fund include all the revenue which the State appropriates to that service? Why do we call its officers its creditors? Why issue as interest what is paid for the redemption of debt?

To these questions there is but one answer. Such were the devices which were intended to give fresh security to this system. I can have no desire to speak slightingly of measures in which I myself concurred; far less of him by whom they were established. Of his virtues and talents I cherish an admiring and affectionate remembrance. But never would he have shunned the free discussion of any subject of public interest. I know not, indeed, what degree of importance he may have attached to these provisions; but some hope, some groundless hope, of their contributing to give permanence to his system, was unquestionably his only motive for their adoption.

Their suggestion was not originally his. The following passage will show in what light their real author regarded them. "Nothing," says Price, "can do us any essential service, but the establishment of a permanent fund that shall never be diverted. Establish such a fund; consign it to a particular commission, acting under penalties, in such a manner as shall take it out of the hands of the Treasury, and form a check on the House of Commons itself; supply from time to time all deficiencies, just as if no such fund existed; and, by these and other measures, convince the kingdom that something effectual is meant, and that the public debts are indeed in the way to be extinguished:—Let this be done, and we may soon see a new state of things; public credit may revive; and the kingdom enjoy at least a chance for being preserved."*

We have seen how closely this advice was followed. A parliamentary commission was appointed: it was composed of persons of whose fidelity in the execution of that trust no doubt could be entertained: To those officers was assigned the fixed allowance of this fund;

* Price, p. xix.

to them the redeemed stock has been transferred as debt; and to them its pretended interests have annually been paid. Nor was it doubted—vain imagination!—that Parliament had thus given to this re-established system some portion of the security of private right, some shadow of the sanctity of public faith. But what respect has, at any time, really been paid to these air-blown fallacies? To what respect indeed were they entitled? They assumed to themselves the imposing mask of property; but they partook neither of the rights nor of the duties of that great bond of social life: their whole efficacy was no more than that of a grant made by a man to himself, in trust for himself, and charged on his own estate! The debtor and the creditor, the receiver and the payer, the obligor, as our lawyers term him, and the obligee, were all in this case completely identified!

Yet were these fictions thought capable of deceiving, and in the highest concerns, the very Government by which they were fabricated. Their aim was nothing less than this: they were to induce the British Parliament to

act, in after times, in opposition to its own deliberate judgment of what might best promote the public happiness. If they failed of this, they did nothing: if they succeeded in it, what consequence could be more injurious, what principle more destructive of the duty of every Government towards those from whom it claims obedience?

§ 3. *Actual Failure of these Endeavours.*

But Parliament did not so abandon its high trust. These devices have in no case ever led to any practical result. So long as the legislature thought fit to uphold the sinking fund, they were never called into effect: no safeguard but that of the law itself was needed for its continuance. And when the necessity was felt, however late, of breaking in upon a system of such intolerable pressure, how easy was it found to overstep its imaginary barriers! By one measure, (I condemn not, but only state the fact,) there were taken from this fund more than five millions, (should I not rather say,

more than seven millions?) of redeemed annuities, the boasted accumulation of so many years.* Nor is this all. "Inroads," says Ricardo, from whom I transcribe this statement, "inroads more fatal than this," (for he considered as fatal in this case that of which I deem far otherwise,) "have" [since] "been made on the fund itself; but they have been made silently and indirectly, while the machinery has been left unaltered." The policy of these complicated operations I have not the smallest disposition to discuss. Principles, not measures, are the object of this inquiry. But when we look to the general result of all which has been done in this matter, from the first creation of this fund down to the present year, what do we find? This system was established in 1786. Its great and overwhelming power was to consist in the rich stream of accumulated revenue which its redeemed annuities

* Ricardo, Supplement to the Encyclopedia Britannica. Art. "Funding System," pp. 414 and 423.

In the first of these two passages he explains in what manner while more than seven millions of such annuities were deducted from the sinking fund, more than two millions of income were at the same time professed to be added to it in another form. But these details are foreign to my purpose.

were, after a long course of time, to pour into the sinking fund. Above forty years have since elapsed, and the annual amount of that fund, including all the sources of its income, was at one period actually stated, if I mistake not, in our public accounts, at more than seventeen millions.* But in 1827 there were carried to it, I believe, on account of redeemed annuities, not quite seven hundred thousand pounds; and, with a very small exception, all its other income then consisted only in its fixed allowance; which had been nominally augmented by law from one million to five, but of which every farthing was in that year raised by loan!

To this statement what can be added? What can more completely prove the inefficacy of every attempt made in the re-establishment of this system to guard against its justly apprehended violation?

§ 4. *Causes of this Failure.*

Nor is there any difficulty in assigning the true causes of the interruption of this in-

* See Ricardo, as above.

stitution. They are to be found in those very circumstances to which we had looked for its chief benefit; in its unvaried continuance, I mean, and rapidly progressive augmentation during so long a course of war. For in what did this augmentation really consist? What did it in fact accumulate? Not the wealth of the State, but its expenditure; not the resources of the country, but their comparatively unprofitable application to purposes of no present or sensible advantage. Year after year this fund claimed from the public treasury larger and larger payments; but its operations added nothing to the means of supplying these constantly increasing demands. For that purpose fresh provision was always to be made. And thus, throughout the whole of that long and perilous contest, were all our efforts, and sacrifices, and burthens continually multiplied by this project of imaginary benefit. And if, as was once boasted, the national distress itself accelerated the progress of that system, exactly in the same proportion was its pressure aggravated on a community tasked almost beyond its strength.

This is, indeed, but in very different degrees, the necessary result, the inevitable self-counteraction of every such establishment, in both the opposite cases, of a surplus, and of a deficient revenue; cases which this system so strangely confounds under the same provisions. Possessing an effective and permanent surplus, a state may maintain a sinking fund, even at compound interest, without resorting to still further taxation. The fixed allowance, and the successively redeemed annuities which compose the fund, will severally continue to be defrayed from the same revenues as before; and, by the progressive addition of those annuities to the fund itself, it may ultimately be carried to any extent not exceeding their amount. But even under these circumstances, favourable as they may seem, it is still evident that the nation will be making, year after year, greater and greater sacrifices for the maintenance of this establishment. The nominal capital of debt will, it is true, be lessened; but (which is alone of real importance,) there will be no corresponding diminution of its annual charge, nor, consequently, of the

taxes which support that charge. The same burthens will be continued; no longer applied to the payment of the public creditor, his claim being extinguished, but constituting the progressive augmentation of the sinking fund itself. And every succeeding period will thus increase, not indeed the total amount of the national taxation, but the proportion of it levied for the sole purpose of upholding this visionary project. Such is the sacrifice which that purpose must exact. And for this great, immediate, and increasing evil, what return does it offer? The hope only of a speculative good, deferred to some indefinite but distant period, and even in its ultimate effect, productive, as we have seen, of a very questionable and equivocal advantage.

Wisely, therefore, would the rulers of any community, in the most prosperous condition of its finances, cast off these artificial trammels, and apply themselves to the direct interests of those whose happiness is their primary and especial charge. Such a decision indeed would be of no doubtful expediency, even if we could dismiss all present concern for the

public welfare, and look only to the ultimate increase of wealth. All possible advantage of these operations, in whatever form conducted, must at last resolve itself into a diminution, more or less remote, of the public burthens; and to postpone for so long a period so great a good, when already partially within our reach, is to presume far too much on the powers of human foresight, and the stability of human institutions. An earlier, although more gradual, repeal of taxes, would spread its benefits in a thousand fertilizing channels over the wide field of social industry; and never could its absence be compensated by any forced direction given, after a dreary vacancy, to the produce of the same sources pent up till it bursts these artificial barriers.

So stands this question, even in the case of an actual and permanent surplus. But far different were the circumstances to which we had for so many years applied this policy; and, consequently, far otherwise had it affected our public happiness. Its progress had been marked by the growth, not of a surplus, but

of a deficiency. Instead of merely prolonging at the same amount, but in a period of comparative ease, our previously existing burthens, it had compelled us, in our utmost need, to heap loans upon loans, and taxes upon taxes, in a series of unlimited accumulation.

During much the greater part of its existence, all its operations had been conducted under the pressure of a large deficiency of revenue: and that deficiency it never failed to increase by the full amount to which those operations were carried. This was, indeed, under such circumstances, its natural, its inevitable consequence. Whenever in any country the interests of unredeemed debt, and the charges of civil and military services, exceed the public income, there is already a deficiency which must be covered by taxation or loan. And if in this, the probable condition of all war,—the actual condition certainly of all wars which we have seen,—any attempt is made to pay off former debt, it is manifest that to the full extent of that endeavour, a new deficiency is created, to be provided for by a new resort to the same sources

of supply. In all times of war, or of otherwise deficient revenue, this is the condition of all sinking funds, with whatever art constructed, and covered under whatever name. Their whole amount, all their fixed allowances, all the redeemed annuities, and all the pretended accumulations of interest, by which they are increased, serve only in such a moment to swell the long schedule of taxation, and to impose on the community fresh difficulties superadded to those which its public service would otherwise create. Need I add, that in our own case, the mischief of these measures had been found, as it always would be found, very far to exceed the direct sacrifice which they exacted? They had crippled the whole power of the State; they had rendered all its operations both more difficult, and more costly. In addition to the war-loans, we had, year after year, sinking fund loans, rapidly increasing, and ultimately of very large amount. Both therefore were raised at greater disadvantage. To the new charge of interest created by the former, a further and similar charge was superadded by the latter.

To neither of these new services were the annuities to be redeemed by this increasing fund at all available. Both were to be met always by fresh taxes; and who has not observed that in proportion as our taxation was increased, its selection became more difficult, its pressure more severe, and its produce relatively less abundant?

The ultimate suspension of this fund has thus been the direct consequence of the endeavour to continue it throughout a period so peculiarly ill-suited to its operations. Too much was attempted. But that attempt was of the very essence of the establishment itself, whose provisions were expected to derive fresh strength from all such difficulties; and may we not hope that this decisive experiment of its results will now lead to the total abandonment of a system so oppressive at once, and so inefficient?

But the extent to which so long a perseverance in this error had already injured the public interests, cannot, I regret to say it, be fully estimated without considering the subject in still another point of view: with refe-

rence, I mean, not only to these continually increasing loans, but also to the extraordinary taxation which was so largely resorted to for defraying the expenses of our two last wars. I speak not here of the expediency of such a system, as applicable to a real war-expenditure: that is a point which seems to me to depend wholly on local and temporary circumstances; on the condition and prospects of the country in which such a question may arise. But, in our own country, and in the periods of which we are now speaking, the expenditure for which we thus provided, was not limited to the charges of the wars in which we were engaged. We had undertaken to maintain, also, throughout the long and unforeseen duration of that great exigency, a rapidly increasing sinking fund; a fund, never to be made available to any present uses of the State,—no, not in its utmost necessities,—but continually to be augmented for the benefit of some remote posterity, by fresh sacrifices exacted from a people then actually struggling for independence and national existence. Let then my reader determine for

himself on these facts thus brought to his recollection, what proportion of the war-taxes, as they were then termed, how much of the income-tax for instance, or of the property-tax, was really levied, not for the maintenance of a war, whose maintenance would have justified any sacrifice, but to uphold during that war a system which superadded to its pressure this great mass of unnecessary burthen. Thus much at least is evident, that all the expenses of that war might still have been defrayed, and all its efforts made, with equal, I should rather say, with much more vigour and effect, had either these additional loans, or these additional taxes been spared to us by an earlier discontinuance of a system, from which we were at last driven by this unavoidable, but so long unforeseen and unimagined necessity!

Conclusion.

Throughout the foregoing pages, all question of the indirect advantages so commonly attributed to a sinking fund, has been studiously reserved to the concluding portion of this Essay. I have long thought, that nothing would so much forward the pursuit of truth on this whole subject, as the distinct and separate examination of its numerous and complicated questions. Their confusion has appeared to me the source of much error. This course should however be extended alike to every part of the discussion: and if I have hitherto limited these researches, imperfect as they are, to the direct benefits expected from a sinking fund, I am not the less aware that, without a similar inquiry into its indirect advantages, one part only, and perhaps the least important part, is even thus far accomplished of my original design. Many, who will readily disclaim all hope of direct public

benefit from a sinking fund, whether in peace or war, at simple or at compound interest, will nevertheless still firmly cling to its continuance or renewal. They will admit, perhaps, without hesitation, that a nation can no more profit by thus trafficking with itself in its own securities, and buying debt with debt, and money with money, than an individual could by shifting his purse from one pocket to another, or his bank-notes from the upper drawer of his cabinet to the lower. But they are impressed with a deep sense of the more remote and incidental, yet, as they believe, unquestionable advantages of such an institution. Those advantages would indeed be differently described by different persons. They are very commonly supposed to consist in more than one particular; and they are of course more difficult of examination, in proportion as they are in their own nature, or in the accounts thus given of them, more vague and indeterminate. But they may mostly be reduced, I believe, under the four following heads.

1. By some this system is recommended—

it was so, if I mistake not, last year, even by Mr. Canning himself—as a resource in unforeseen emergencies.

2. Many have insisted, and still insist much on its good effects, in raising and upholding the price of stocks.

3. Others again, men of great knowledge on these subjects, and high authority, strongly rely on the advantages which it affords in the compulsory accumulation of the national wealth, and in the forced diversion of that wealth from what they deem unprofitable expenditure, into the mass of productive capital.*

4. A still more flattering, but much more general picture is drawn by others, of the increased confidence produced both at home and abroad in the stability of our financial system, when it is seen annually to allot such overwhelming sums to the reduction of debt; an operation so naturally considered at first

* See Ricardo, Supplement to the Encyclopedia Britannica. Art. "Funding System." p. 420 and 421: but in this description I had also in view other reasonings which I have heard and read, insisting more fully on these topics, and to which I had hoped to have devoted much more attention in this Essay.

view as an almost infallible symptom of increasing wealth.

To me it appeared, when I first entered on this attempt, and I still firmly believe, (but I speak here with all the deference with which I ought to speak in such a case,) that there could be little difficulty, either in pointing out, or in unfolding the general topics by which these notions may be successfully opposed.

1. On the first of them, that which relates to the provision said to be afforded by such a fund against unforeseen exigencies, it is obvious to remark, that this assertion rests solely on what I cannot but call an inaccurate use of the principal term in the discussion. Any portion of income available for such purposes, is manifestly not a sinking fund, but a disposable surplus of revenue. The benefit of such a surplus, if permanently to be kept up to any considerable extent, is itself not a little questionable. It begins in needless taxation, and would too probably lead to needless expenditure. But what has this discussion in common with that of a

sinking fund? The surplus is assumed to be disposable, the sinking fund is already appropriated to the redemption of debt.

2. In discussing the supposed tendency of these systems to raise and uphold the price of stocks, we should, in the first place, not hesitate absolutely to deny that it can be either expedient, or just, to give to one large description and class of property an artificial value, by burthens imposed for that purpose on all other property. But may it not also be confidently asserted, that no such effect can, generally or permanently, be produced by the purchases of a sinking fund? Whatever raises the price of stocks, renders them comparatively a less profitable employment of money, and tends therefore to divert capital into other investments until the natural level be restored: an effect most extensively exemplified in our own country, even within the last few years.

3. The third point involves a question of more extensive and important, but, if I do not greatly deceive myself, of not much more difficult investigation. The very benefits themselves which are relied on in this case, the

forced accumulation, the compulsory saving, the artificial direction of private wealth, are all, as it seems to me, directly opposed to the first principles of political economy. Such endeavours would lead us, and by no strained consequence, to the most exploded errors; to the hoarding of a public treasure, or the imposition of sumptuary laws. The proper aim of legislation in these matters is not the multiplication of wealth, but the multiplication of that social happiness which is derived from wealth, and which consists essentially in its use: in its wise, and virtuous, but free use. And that this freedom, while it gives to wealth its highest value, has also been made, through the provident constitution of our nature, the most effective instrument of its increase, is the beautiful discovery of modern science. The government which seeks to enrich its subjects by directly or indirectly narrowing their enjoyments, not only sacrifices the true objects of its care to the imaginary means of their attainment, but also powerfully obstructs its own misdirected purpose, and counteracts the appointed means of human civilization and improvement.

4. On the fourth point, there is a still readier answer. The security at which a wise government will aim is to be looked for in actual, not in imagined strength. To the wisdom of domestic councils, to foreign authority and influence, nothing is more detrimental than the false confidence, and vain ostentation of unreal power.

Finally, in the conclusion of the whole inquiry, it may, I think, be undeniably demonstrated, that the great source of all error on this subject, if error it be, has been the spirit and love of system; one of the foremost of those *idols*, as Bacon terms them, by which the heart of man has, in all ages, been allured from the simple pursuit of truth. In the popular discussion of these matters, the wisdom has been, very generally, but quite gratuitously assumed, of establishing in this respect an uniform, permanent, and, if it had been in our power, an inviolable course of policy. But to determine whether any,

and what portion of national wealth shall, at any given time, be withdrawn by taxation from private use, for the reduction of public debt, is not a question of abstract science. No decision can more essentially depend on the ever-varying consideration of contingent and fluctuating circumstances. None therefore can be fitter to be reserved for the annual revision of a wise and cautious legislature. What then shall we say of a system which anticipates such determinations for long periods and cycles of future years; having no reference to the chances or changes of human affairs, but regulating the eventful interests of a great community by an unbending arithmetical progression, or by the workings of a rule in algebra? If this be wise, why do we not also fix by the same principles the numbers of our fleets and armies, to be maintained unalterably in every contingency of peace or war, of profound security, or of fearful and imminent danger?

We are well assured, that the course of knowledge amongst us is not now retrograde,

nor the spirit of patriotism declining. Well therefore may Parliament, in a matter of so great uncertainty, forbear to prescribe to future generations new plans and systems of finance! Well may that body to whose vigilance and wisdom the present safety and welfare of their fellow-subjects is committed, leave it to those who shall come after us to exercise on their own behalf a similar discretion! Other, and more urgent duties now claim from the legislature its undivided care. Much has been auspiciously begun, much is at this hour in progress, and much more yet remains to be accomplished, for the cultivation and improvement of those great national interests which now lie before us in actual operation, or in immediate prospect; for the civil and religious freedom of all the members of the community; for their

"Union, and firm faith, and firm accord;"

for securing to them justice, not impartial only, but cheap, and speedy, and effective,—a blessing above all estimate; and for carrying to its utmost possible extent the unre-

stricted liberty of their industry and commerce. It is by the undeviating pursuit of this liberal and enlightened policy, advancing always with the advancing science of our country, that the surest of all foundations will be laid, not only for her present happiness, but also for her future prosperity and glory.

Thus much I have ventured to suggest for the consideration of my readers, as to the indirect advantages of a sinking fund, and as to the general policy of attempting to give permanence to such a system. Could I have executed my purpose, these interesting topics would have been much more fully considered in the second part of this work, and in its conclusion. What I have here stated is only the bare and unshadowed outline of the view which I had taken of them. It is the powerless skeleton of an argument, which, if clothed with however small a portion of the substance and energy of life, and animated, as it would have been, with the spirit of sincerity and public zeal, might, I once hoped, have been of some practical benefit in a deliberation, whose

importance hardly can be over-rated, since it involves nothing less than the policy of now adding or not adding some millions to our annual taxation. But this task, undertaken from motives of which I still feel all the force, I have been compelled to suspend; and even if the power of resuming it should return, the inducement will probably have ceased. This great question will have been decided: and may its decision be such as may best promote the happiness of all!

Νικάη ὅ τι πᾶσιν ὑμῖν μέλλει συνοίσειν!*

* Demosth. Phil. 1. in fine.

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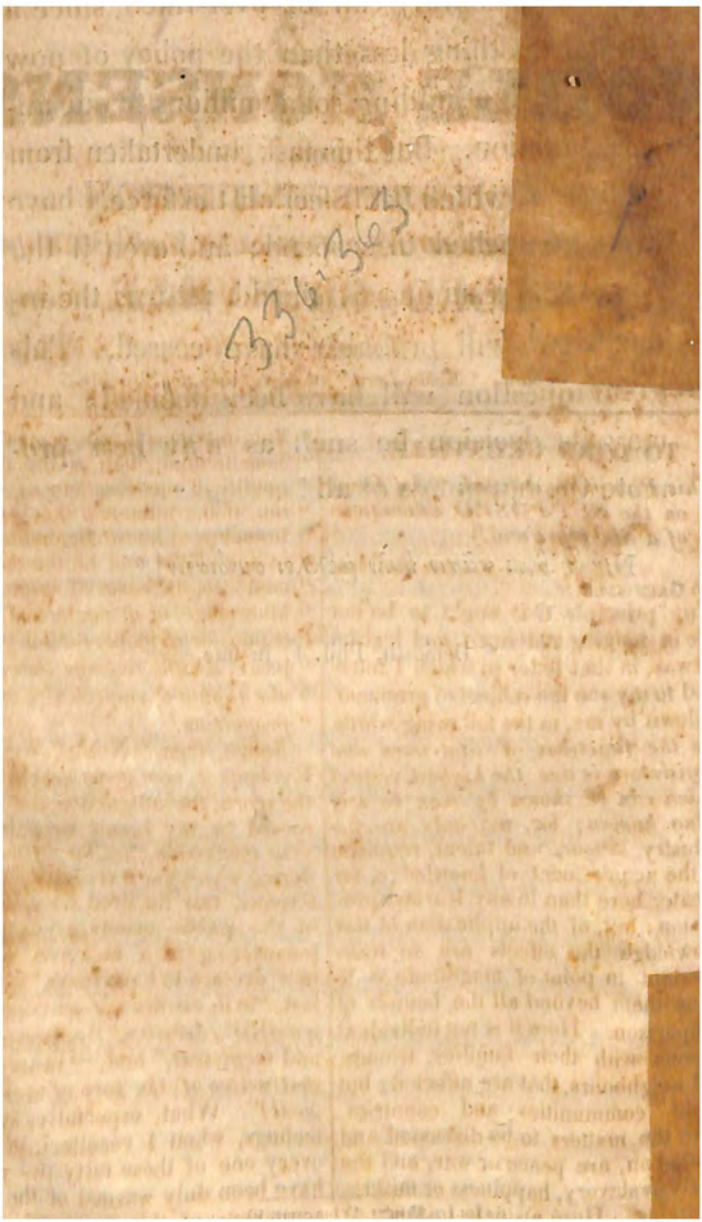

A

LETTER

TO

LORD GRENVILLE.

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TO

LORD GRENVILLE,

ON THE

SINKING FUND.

BY

THOMAS PEREGRINE COURTENAY, Esq. M.P.

LONDON:

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PREFACE.

It is perhaps necessary to assure the reader that, although the following observations proceed from a person who holds an office under His Majesty's Government, they express only the sentiments of the individual writer.

He is entirely ignorant of the opinions entertained by the Cabinet, or by the Ministers of Finance, upon the great financial question now at issue.

He thinks it also necessary to apologise for the length of this tract. He was desirous of giving a full, historical, explanation of the system of finance, established by Mr. Pitt the author of the Sinking Fund; and he was also desirous of pursuing Lord Grenville's argument, point by point. He fears that the connexion of these two purposes has occasioned repetition.

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LETTER

TO

LORD GRENVILLE.

My Lord,

Though not unused to political controversy, I undertake, with unfeigned diffidence, the task of commenting upon your Lordship's Essay. I never read an appeal to the public, more likely to produce the effect which it contemplated. Your authority as a statesman, great for the last forty years, is strengthened and embellished by the absence of personal interest. The ingenious malignity, often effectual against ministers, cannot impute to your Lordship, retired among your pines, and disconnected from parties, any other motive than that which you avow;—a desire to advise your country

"in a discussion of urgent interest, and permanent importance."

The advice, moreover, penetrates willing ears, because it tends to reconcile duty and inclination. Its effect is to relieve government from an invidious task, and the country from a burdensome obligation. I will not say, considering your lordship's peculiar situation, that these circumstances justify a distrust of the advice; but I do submit, that they detract much from the value of the testimony which is borne to the soundness of that advice, by the sympathy, and the applause, with which it is received: at the least, I may urge them as a part of my own justification, for setting forth my doubts as to the wisdom of the counsel.

I am painfully sensible of the inequality of the contest in which I engage. The opinions of a subordinate official man have no extrinsic value; they can derive no weight except from the force of the arguments which support

them. Nor could I with perfect confidence repel an imputation, that they are tinged with prejudice. I do not wish to deny, that my notions of public finance were formed in the school of Mr. Pitt, the author of the measure which it is now proposed to condemn; of that great and amiable man I have an affectionate remembrance which has tempted me, in the society of his successors, to exclaim:

"*Heu! Quanto minus est cum reliquis versari, quam tui meminisse!*"

This feeling, I own, has generated an unwillingness to admit, that his principles, in any branch of political science, were fundamentally wrong and dangerous. I make this admission, because, though probably neither Lord Grenville, nor the public, knows enough of my history, to lead either to ascribe my opinions to this prejudice, there are those in high places who, being aware of the pertinacity with which I have, for more than five

and twenty years, advocated the principles of Mr. Pitt's Sinking Fund, (though I have certainly modified some of my notions as to their application) may detract, on that account, even from such weight as belongs to my opinion. All that I desire is, that while I claim no credit for the deep and continued attention which I have bestowed upon the matter in question, my suggestions may not receive less than their due consideration, because the opinions on which they rest were learned in youth from an admired master.

Your Lordship deprecates an imputation opposite in its kind. I subscribe readily and heartily to the forcible observations, which you have made, upon the arrogation of political consistency. No doubt, it is peculiarly absurd, for us who make a daily boast of the progress of science and intelligence, and thereupon justify important changes, to confine each individual man to the opinions which he may have originally formed or im-

bibed; whatever may be the duration of his life, or the variety of his experience. According to this plan, error has a life-estate in every living mind; the heir may discard it, but the existing possessor must sustain it.

From your Lordship, apologies for inconsistency were quite unnecessary; but here again, I must make a distinction between him who gives, and those who follow, the advice. Pre-conceived opinions, and the doctrines inculcated by departed authority, may unquestionably lead to a dangerous persistance in error; but there is another danger, not entirely to be disregarded; the very progress of improvement, and the habit of discarding opinions formerly sacred, engender an aptitude to dissent, and a love of paradox. Some men, afraid of giving too much weight to opinions consecrated by time or authority, are tempted to give too little. I am persuaded that, among a great portion of the House of Commons, and of literary and poli-

tical writers of the present day, contradiction to an opinion received twenty years ago, would be the characteristic of a doctrine most likely to ensure its reception.

Again, exaggeration on one side, produces depreciation on the other. A measure or a doctrine truly wise or sound, is commonly praised even far beyond its merits, and, usually, praised ignorantly and inaccurately. This has been eminently the case of the Sinking Fund; its invention has been spoken of as an effort of genius, and its operation as a work of enchantment. It is not unnatural, that the real beauty of a figure so tawdrily disguised, should not always receive the praise, which it deserves in its native simplicity.

It appears to me that, as well in the formation of your judgment, as in the argument in which it is conveyed, you lay too much stress upon adventitious and incidental circumstances; you combat opinions which are un-

justly imputed to your opponents: above all, you entirely neglect the fundamental principle of the measure which you condemn. You have, therefore, not presented to the public the question which they are required to decide. This view of the defects in your lordship's treatment of the great subject of controversy, emboldens me to offer the following observations.

§ 2.

You have no where, as I humbly submit, distinctly stated the true principle of the sinking fund: this is,—*That the Legislature ought not to impose a perpetual burden upon the resources of the country.* Those who have the supreme power of the state at any particular period, ought not, indefinitely, to anticipate the means wherewith their successors are to administer its affairs. They must not provide for the expenses to which they are subject, by a perpetual mortgage of the ren-

tal and income of the people, for all ages to come. They must, themselves and their existing constituents, bear the additional burden, which is necessary to avoid such perpetual or indefinite anticipations.

These maxims, which in truth are only various expressions of the same meaning, constitute, as I suggest, the principle of the sinking fund; that upon which it is endeavoured to give to arrangements for redeeming the public debts, the character of sacred obligation, and fundamental law.

I may be under a prejudice, or a delusion, but I own that the principle appears to me to be obviously just.

It is, indeed, only the application to the whole rental and resources of the country, of a principle which our law has, by repeated acts, imposed upon all those individual or corporate proprietaries, which have a perpetual succession: upon the crown, for instance, and the church. A corresponding restriction

is voluntarily imposed by the acts of individuals, who leave their property to more than one heir in succession; all, but the last, (and in the case of the state, the crown, or the church, there is *no* last) are limited in their power of charging the land, for jointures, marriage portions, and other perfectly legitimate expenses: still more, in their power of mortgaging it for personal debts.

Distinctions might, unquestionably, be shown between these cases and that of the state; but I am the more confident in using them as illustrations of my position, because your lordship has correctly observed that "a reference to similar transactions in private life is the best of all instruments for the discovery of truth in political economy."*

There is, indeed, a class of public debts to which the limitation of duration is applied by law. Parishes, and sometimes, I believe, counties, are empowered to raise money for

* Essay, p. 41.

certain public purposes, by anticipation of their rates; parliament has never thought fit to allow of a perpetual charge upon these funds. The power of charging is, usually, for twenty-one years, within which time, the debt must be discharged, either by the original terms of the loan, or by the application of a sinking fund. Yet the purposes for which this charge is permitted, are not usually ephemeral; and a perpetual mortgage might be allowed, with, at least, as much reason as in the case of a national debt.

The sovereign power of the state is uncontrolled by laws; humanly speaking, it is omnipotent; but it surely will not be contended that those who exercise it are not under an obligation, I would even say a moral obligation, to regard the interests of their successors and descendants. If the payment of taxes is burdensome to the people, and the operations of finance are difficult to the legislature, it is not just or equitable for the

occasional holders of the power, to relieve themselves by imposing that burden and difficulty upon those who are to follow them. It is quite unnecessary to consider here, in what degree taxes are an evil; because, if they are not so, and if there be no difficulty in raising them, we can have no excuse, nor, indeed, any advantage, in borrowing money for our own expenses, and throwing the interest upon posterity. The measure which we take to ease ourselves of the weight, proves that it is a burden disagreeable to be borne.

It is strange, indeed, to listen to what one frequently hears, an objection to sinking funds, as attempts to bind posterity. Do not those who make the objection, does not your lordship, perceive, that the law of the sinking fund only imposes upon posterity an obligation, from which, at most, they may rid themselves by a sacrifice of uniformity or consistency; while the obligation imposed by the law

which creates a perpetual annuity, can only be renounced through a breach of faith?

Thus much, preliminarily, on the principle. I will now follow your lordship through the details of your argument; and shall have frequent occasion to enforce and illustrate the fundamental doctrine, the maintenance of which is essential to the greater part of what I shall offer, in opposition to your several propositions. Perhaps, the arrangement which you have made of your argument, is not the most convenient for discussing the question in reference to that doctrine; but I still think it best to pursue the Essay through its regular course, as well in deference to your lordship, as because it contains very few observations which are not worthy of separate notice.

§ 3.

You begin by laying down as a rule, "The "necessity of a surplus revenue for the sup-

"port of a sinking fund*." And from this you, naturally and reasonably, deduce the two further positions; the one affirming "The "inutility of borrowed sinking funds†;" the other, "The inefficacy of sinking funds ope- "rating in war‡."

According to my principle, the parliament which raises money by anticipation of the revenue, is limited as to the period for which the mortgage is to endure. The plainest and simplest mode of effecting this limitation is, by borrowing money upon an annuity, to exist only during the limited period. When this mode is adopted, we pay for the money borrowed a temporary interest, exceeding, perhaps, by a fifth or a sixth, that to which we should be liable if we agreed to pay the interest for ever. This excess necessarily obliges us to appropriate, if it exist, or to create by taxation, if it do not exist, so much of surplus revenue. And there is in

* Essay, p. 5. † p. 7. ‡ p. 12.

this case no question; the whole money must be raised, or we are bankrupts; but there is no reason for raising any further surplus with a view to redemption. The sinking fund is inherent in the original annuity.

I would here stop to ask your lordship, whether, if it were practicable, without loss, to raise all our loans upon such terminable annuities, you would think it unadvisable so to raise them? I am really not aware, how you would answer this question; but I am sure that you perceive at once, that an answer in the affirmative, implies an adherence to my position, that we ought to subject ourselves to additional taxation, in order to lighten the burden upon posterity.

I would almost venture further to ask you, whether it would not have been beneficial to England, if there could have existed, during the last century, a fundamental and irrepealable law, limiting the power of parliament in its mortgages of the revenue?

However, no such constitutional limitation does or can exist; and there are, we know, practical difficulties in the way of borrowing upon terminable annuities: the lenders are unwilling to take such annuities, at their proportionate value to perpetuities. In borrowing, therefore, upon them, we not only incur an additional charge, as before stated, for the sake of redemption, but we also pay for this unwillingness of the lenders.

It is not to our present purpose to inquire, whether there has not been sometimes a too ready acquiescence in this unwillingness; I pass then to the other mode, by which the limitation of the mortgage is to be effected.

This mode consists, in borrowing upon a perpetual annuity; setting apart, in addition to the interest, so much of revenue as will redeem the annuity within the period limited The manner in which this additional revenue is applied, is indifferent, provided that it so operates as to set free, at the end of the pe-

riod, revenue equal to the interest of the loan. It may be applied in the purchase, in the market, of the particular securities which occasion the appropriation; in the purchase of any other annuities of equal amount; or in any other mode whereby the charge which will remain upon the resources of the state at the expiration of the period, is proportionably diminished.

It is unquestionably true, that the additional revenue destined for this purpose, ought to be a clear surplus, beyond all charge for the interest of debts, and all other permanent charges upon the revenue; and it is also true that it ought to be a surplus beyond the amount of the ordinary expenses of the state existing at the time, even though those expenses are not in their legal form permanent; the appropriation would be otherwise evasive and nugatory.

So far, then, I concur in your lordship's first position. And yet, I do not admit as a

necessary consequence of this position, that the appropriation is always absurd or inefficacious, when there may happen to be, in one or more of the years in which it endures, a deficiency of revenue, occasioning a new debt.

My difference from your lordship upon this point, is a necessary consequence of my principle of a sinking fund. The surplus from which that fund is to be supplied may cease for a time, and the condition which has been prescribed, as to the duration of charge, may, nevertheless, be strictly preserved. This happens when (as in the year 1827, to which you refer*) a deficiency occurs, which there is good reason for supposing temporary; an anticipation then takes place of the resources of the next, or next two years immediately following. No permanent charge is, in this case, created; if the deficiency still continues, the principle would assuredly require

* Page 10.

that it should be supplied by the creation of a new revenue. The principle is in either case maintained. In my opinion, we ought always to keep up an average revenue, exceeding in amount every permanent and ordinary charge; so as to meet the accidental occurrence of a deficiency: but if this provision has not been made, the temporary deficiency must be met by a temporary expedient; and every thing then proceeds as before.

Perhaps, you may suggest that, even according to my principle, the object would have been equally well effected, if we had suffered the appropriation to be suspended, until a returning surplus had supplied it, and replaced the fund in the condition to which an uninterrupted appropriation would have brought it. I confidently aver, that this mode would have been, in every respect, more inconvenient, and would have led to greater complexity of account, than that of issuing Exchequer bills. If, indeed, your lordship had

not specifically mentioned the measure of 1827, I should scarcely have ascribed to that occasional measure, the strong and contemptuous expressions which you have directed against "borrowed sinking funds."

Your observations, I will presume, are rather applied to the systematic existence of a sinking fund, continually supplied by borrowing; or, what you deem the same thing, the continued existence of a sinking fund, while the revenue falls short of the expenditure and the deficiency is supplied by loans; so that stock is sold and bought by government at the same time: and you thence urge the impossibility of keeping up a real sinking fund in time of war, when there is a constant and certain deficiency of income.

I have already admitted, that the surplus constituting a sinking fund, ought to be a surplus, beyond the ordinary expenditure. I have thus conceded to your Lordship all that you object to sinking funds, systema-

tically supported by loans in time of peace. The sinking fund ought in such a case to be either restored to its due amount by taxation, or avowedly reduced to the amount of existing surplus. It can scarcely be necessary to argue, that the state ought, in common prudence, and, with a view to its power of conducting any war which may arise, to apply some surplus, or at least to make no addition to its debt. At all events in time of settled peace, the finances ought to be, and may be, placed upon a regular and almost certain basis. The legislature has an opportunity of fixing the scale of its expenditure, its taxation, and of the surplus, if any, which it will apply to the reduction of debt. It may determine, and act upon, the principle, whereby the apportionment of the burden of taxation between present and future times is to be fixed; and the reason, sometimes urged for maintaining a nominal sinking fund, the preservation of a dormant principle

to be hereafter restored to activity, has no force at such a period.

I am prepared to admit, further, that an adherence to the name, and forms of the sinking fund, is equally useless and absurd in war, unless the financial arrangements, including that sinking fund, proceed upon a plain and intelligible principle, to which there is at once the possibility and the rigid determination to adhere. You, my Lord, while you deny, with forcible arguments, the utility of attempting this adherence, refer to past history in proof of the hopelessness of success. We may give, you say, "a visionary permanence to the sinking "fund by law, its useless forms may be con- "tinued, in vain semblance of that which "once was powerful and active, but its vital "spirit we cannot so preserve *."

Now, my Lord, I am not satisfied of our inability to preserve, at all times, an active

* Essay, p. 13.

and salutary principle of finance, founded upon the scheme of which the sinking fund is a part; I believe that the failures which you relate, as I submit, with much exaggeration, originated in the neglect, now sanctioned by your Lordship's great authority, of fundamental principles; I do not despair of an attempt to re-invigorate those principles.

In support of this essential difference of opinion, I must now follow your Lordship through your history of the sinking fund.

§ 4.

The system under which a perpetual charge is laid upon the country, whenever a deficient revenue is supplied by a loan, boasts of rather less antiquity than we commonly suppose. During the reigns of William and Anne, considerable sums were borrowed; but the annuities created were in general annuities for terms of years, or for lives; "the principal being to be sunk at the end

"of the term granted, which might be looked "upon as a sinking fund attending these "particular debts *." The exceptions were, the debts to the great companies, and the banker's debt, which, perhaps, as it arose from the fraud of ancestors, it was thought fair to throw in part upon posterity. In most other cases, the duties which constituted the fund, whereon each particular loan was charged, were chargeable with the principal as well as the interest of that particular debt. In 1716, the surpluses of all the particular funds, and of other more general funds, into which some of them had been united, were carried, together with some savings effected by the reduction of interest, to a new "SINKING FUND;" which fund was made applicable to the payment of debts existing on the 25th December, 1716, "and for none other use, intent, or purpose "whatsoever †." And it was so applied, with-

* Tindal, xix. 131. † Act 5 Geo. I. cap. 3, sect. 66.

out any systematic exception (there were, I believe, some silent encroachments,) during the reign of George I., and the first six years of George II., notwithstanding that within the same period, other debts equal to much more than the half of those redeemed, were paid off by this fund. In 1733, Sir Robert Walpole took half a million from the fund.

This measure your lordship ascribes to the sagacity of Walpole who, "outrunning the "wisdom of his contemporaries," discovered "the contradiction of increasing debt in the "very moment of professing to reduce it*." Your lordship is much too good an historian not to have observed the facility with which motives, good or bad, are ascribed to the heroes of history; I must humbly submit that you have furnished a notable instance of the practice. Your argument stood in no need of Walpole's authority; but there is

* Essay, p. 16, 17.

really not any ground for believing that he acted upon any higher motive than that which he professed, the desire to relieve the landed interest by voting the land tax at one shilling instead of two. He showed reasonable grounds for his suggestion, but did not hint at that which you now imagine for him. He denied peculiar sacredness of character to the measure of 1716; he argued that circumstances were so much altered, that public creditors were now more afraid of being paid off, than of losing their principal; that the landed gentlemen desired and deserved relief*. Of a loan, there was no question. Walpole, indeed, so far from adopting the objection urged against the sinking fund, as operating at a time when new debts were incurred, had, a few years before, laid before the king a representation from the House of Commons, in which that objection was over-ruled †.

* Parl. Hist. viii., 1200, 1, 5, 6.

† Representation of the Commons to the King, April 8, 1728. Parl. Hist. viii., p. 651.

Walpole was, I suspect, right in his lighter estimation of the measure of 1716; it was an arrangement of finance, not establishing any new principle, but simply consolidating what had been done, upon a similar principle, in variety and detail: this minister, however, had, himself, recently countenanced the notion of the inalienability of the fund, when he advised George II.'s answer to the Commons' Representation *.

Historical illustrations, if used at all, should be accurate and complete; otherwise, this inquiry concerning Walpole is of no great importance; but I gladly seize the opportunity which your reference to the debates of 1733 affords me of exhibiting, not in Walpole, but in his opponents, some indications of the principle for which it is my great object to

* Parl. Hist. viii. 666.—"The provision made for gradually "discharging the National Debt, is now become so certain and "considerable, that nothing but some unforeseen event can alter or "diminish it, which gives us the fairest prospect of seeing the "old debts discharged without any necessity of incurring new."

contend. I care not whether it was through the superior sagacity of Sir John Barnard *, and Sir William Wyndham †, or simply from that excitement of party which invokes every argument that can be devised; but they did urge the just and correct reason against the unrestrained accumulation of debt, when they argued in favour of the redemption, not for the benefit of the creditors, but rather for the sake of their own children, and, more particularly, of the future owners of their lands.

These arguments were unsuccessful in 1733; they will probably fail in 1828: but I thank you for the opportunity of citing high parliamentary authority, in support of one of my favourite positions.

I cannot concur with your lordship, in ascribing to the deliberate judgment of "some of our best and wisest statesmen," the absence, for the next forty years, of any systematic plan for the reduction of debt. It is indeed

* P. 1206. † P. 1209.

true that successive ministers "did not show "much solicitude to increase the taxation of "their country for the purpose of providing it "with a surplus; and that their reductions of "debt were principally, though not wholly, "effected by the falling in of annuities, and "by the diminutions successively made in the "rate of interest on the public securities, by "tenders of repayment *." In other words, they took the advantage afforded to them by the provident limitations of their forefathers; they readily availed themselves of any opportunity which the state of the public securities furnished, for relieving themselves from the burden of taxes; and they borrowed without scruple, and without any definite limitation, all that they wanted in war, sometimes too in peace; taking little heed of the future, making no provision for the redemption of debt, and, in the last instance, the American war, providing very insufficiently

* Essay, p. 17, 18.

even for its interest. Is this the example which you recommend for imitation?

It did not require the fanciful calculations of Dr. Price, to convince the just and prudent minister of 1786, that this system, or rather these practices, of finance, were not worthy of his country, or of his fame.

I will not exaggerate Mr. Pitt's merit in the restoration of the finances after the American war; his measures were highly judicious, and greatly assisted the elastic tendency to recover from distress, which this free country has always developed. My object is to explain the system of finance which Mr. Pitt adopted, so soon as these co-operating causes had produced a surplus of revenue. I am sorry to say, that even your lordship stands in need of this explanation; still more, those, who are familiar only with the complicated transactions of later years.

§ 5.

Mr. PITT, in applying to the existing debt, his fund of redemption, which he fixed at one million, could find no rule either in law or in history, for its apportionment between one period or generation, and another. It was obvious, that unless a considerable burden were borne by the people then existing, no material reduction could be effected. But it was neither reasonable, nor necessary, that the burden should be continued, without any relief, until the whole debt should be extinguished. Your lordship considers the measure of limitation, as "a wise precaution, showing an "early and just apprehension of the evils "since felt from an opposite policy*." As indefinite accumulation has at no subsequent time been our policy, I know not to what period you refer.

I attempt not to define the exact motives

* Preface, p. ix.

of Mr. Pitt's decision, but he appears to have determined that the fund should operate without producing any direct relief, during the period which is usually assigned to a human generation. He did not fix the number of years, but he calculated the amount which the fund would reach in about twenty-eight years. Within this period, the savings effected by the annual application of the fund, were to be applied, together with the original fund, to the reduction of debt. Afterwards, the fund, as it would then stand, was to be applied to the reduction of debt; the annual savings were to be disposable for current services, for the repeal of taxes, or otherwise as parliament might direct. Expressing the same thing in other words, for the sake of a brevity which is quite intelligible, I might say that, during the first period, the fund was to accumulate at compound interest; during the second, at simple interest. "The application," as you truly observe,

"of compound interest to the institution of "a sinking fund, consists in adding to the "income of the sinking fund the annuities "which that fund successively redeems."— "A system of simple interest leaves them "applicable to the repeal of taxation, or to "the exigency of any other service*."

All this, my lord, is as simple as it is just; neither Mr. Pitt, nor any other sensible man, ever viewed the operation of compound interest in any other light. I have no doubt, but that much of the nonsense to which you allude, as to the magic of compound interest, has been talked in provincial towns; but its refutation really did not deserve a whole section of your Essay!

But you object to the term "interest," as applied to the annuity saved to the state by the purchase of its own debt†. Assuming that it was desirable to secure the appropriation, I cannot agree with your lordship in

* Essay, p. 51. † p. 61.

deeming this a perfectly useless fiction. Assuredly, an account might have been kept of the savings effected, and a direction might have been given to add an equal amount to the sum annually paid to the commissioners. It was believed, that by making the issue of these amounts quite a matter of course with the officers of the exchequer and the bank, without any intervention of parliament, or even of the treasury, the strict appropriation would be more effectually secured. I am satisfied that this effect was produced, or materially aided by this cause. For more than a quarter of a century the fund operated without encroachment. We are not now considering the advantage derived from the appropriation, but the efficacy of the devices for securing it. I cannot but believe, that the alienation of the sinking fund, and especially the appropriation of the annual savings to any other purpose, was made much more difficult to the minds of parlia-

ments and ministers, than it would have been under another system. Indeed, much that is said, as to the *delusion* practised under the system of the sinking fund, furnishes proof of this position. "The nation" did not see that it "was the true owner of these annuities;" and, therefore, left them in the hands of the commissioners. But I leave this, which is, in truth, a merely formal part of our inquiry. It may be possible to have, and strictly to appropriate, a sinking fund, without the machinery which has become so offensive.

I have stated, that in former wars, inadequate provision had been made for the charge occasioned by new loans. To ensure sufficiency in future, was an important provision of Mr. Pitt's system of finance. This it was impossible to effect prospectively; the provision must necessarily be made by the parliament of the time: it was only by requiring full and distinct accounts, first of the revenues applicable to the existing charge; and, se-

condly, of the specific revenue raised for the purpose of defraying each new charge as it might be created, that he could in any degree ensure the adequacy of the revenue, and the reality of the surplus. Any deficiency would thus instantly become apparent, and it was assuredly a part of the system that it should be immediately supplied. It was also Mr. Pitt's object, and his endeavour, to provide, if possible, by sums raised either within the year, or within a period of a few years, for extraordinary expenses, occasioned by armaments or other political measures; upon this principle he acted for the few years which intervened between the first establishment of the sinking fund, and the measure of 1792, to which I now request your lordship's attention.

This measure is founded upon the doctrine which I have maintained, as to indefinite mortgages of the resources of the state. It fixes a limit, beyond which no mortgage is

to extend. It authorizes the creation of an annuity for any period not exceeding forty-five years, without any fund of redemption; but requires that provision shall be made, for redeeming within that period, any annuity for a longer term, or any perpetual annuity, which may be created on account of any new debt. If no provision for this purpose be made by parliament, it directs the appropriation of a sinking fund, of one per cent., which is calculated to effect the redemption within the period limited. This appropriated fund is part of the additional charge attending a new loan, for which a separate and sufficient revenue is, according to Mr. Pitt's system, to be provided.

The period of forty-five years, was arbitrarily chosen; probably because it was the estimated period for the extinction of debt by a sinking fund, equal to one hundredth part of the capital. A longer or a shorter period would have been equally reasonable; but

it was essential to the principle to fix some limit, which should not be transgressed.

You will observe, that according to this system, there would be no new financial arrangement at the end of a war, unless the peace establishment should go beyond its antecedent rate:—taxes imposed for carrying on the war, would cease; taxes laid on in consequence of the loans, would remain, including within themselves the power of extinction within a period of moderate extent.

This then, my Lord, was the simple and intelligible system of Mr. Pitt; and I would almost venture again to ask your Lordship, whether if, instead of a sinking fund, a positive limitation could have been prescribed, for the term of annuities charged upon the revenues, the system would not have been, even in your view, prudent, just, and practicable.

And I would also ask you whether it would not have been, even with the sinking fund, omitting, if you please, the machinery, a system in all respects expedient in time of peace.

I would ask you, still further, whether, even if it were admitted, and known before-hand that, in war, the plan of reduction must be suspended, it would not be advisable to establish and maintain this whole system in time of peace: the system being, as I will again state it still more briefly, always to maintain a revenue sufficient for all permanent charges and ordinary expenses, with a moderate surplus applied to the payment of old debts; and not to anticipate future revenue for more than forty-five years.

§ 6.

I NOW advert to the alleged "inefficacy of "sinking funds operating in war." At the

first introduction of the plan of 1786, Mr. Pitt had not perceived any anomaly in the process of borrowing and paying debt at the same time. Perhaps, indeed, he had not contemplated the case. Mr. Fox saw the difficulty, and Mr. Pitt readily adopted his suggested remedy. This was the clause, so often mentioned of late years, for enabling the state, in time of war, to avail itself of the amount of the sinking fund, without departing from the plan. Mr. Fox's clause authorized the commissioners to place themselves in the situation of the loan contractors. Instead of old stock in exchange for their money, they were to receive a portion of the new stock, created as the consideration for the loan. Under this clause, as applied to the sinking fund of 1786, the effect would have been this; the loan of the year, instead of the old debt, would have been lessened by the amount of the sinking fund in that year; the total debt at the end of the year, and the

income of the sinking fund, would have remained on the same scale, as if the purchases of the sinking fund had proceeded, and the whole sum required had been raised by loan. A simple suspension of the purchases of the sinking fund, would have had the same effect upon the debt; but the annual income of the fund would not then have been increased, by a sum equal to the interest thereupon. The clause, therefore, was simply a part of the machinery, for securing to the fund its growing income, without a special provision by parliament. In either case, there would have been an increased debt, with a permanent charge, without any provision for the redemption of the excess.

But before a war occurred, so as to call this clause into possible operation, the act of 1792 had passed, establishing a new principle, namely the limitation of forty-five years. Under this act the sinking fund, when applied upon the principle of Mr. Fox's clause

to the service of the year, receives not only the interest of the stock newly created and transferred to it, but a new annual payment of one per cent. upon that stock, as well as upon the stock really created and sold to the contractors. The effect, therefore, is to leave the debt at the same amount at which it would have stood, if the whole loan had been borrowed of the contractors; that is, greater, by the amount of that loan, than it was at the commencement of the year; but the portion of this new debt nominally transferred to the commissioners, is attended, like all the other portions of it, with a sinking fund, calculated for its redemption in forty-five years.

If the sinking fund had been simply suspended, it would have lost, as before, its growing income; and there would have been an equal increase of debt, without any provision for redemption.

The sinking fund then, during war, is still,

whether Mr. Fox's clause be acted upon, or the purchases proceed, and the loan is increased by their amount, a mere piece of machinery, for preserving the principle; and in the latter case it certainly may be termed, without inaccuracy, a borrowed sinking fund.

But I beg your lordship to observe, that "the preservation of the principle," is not simply the record of a dormant regulation, not to be enforced until after the war. It is an essential part of the system that the revenue shall be kept to the full amount of the interest of the debt, whether in the hands of the commissioners or of the stockholders; and that an additional revenue shall be created, consisting of real surplus beyond *ordinary* expenditure, sufficient for the redemption of the increased debt, in whatever form the increase occurs: so that the due proportion of the burden of this debt shall be borne by those who incur it.

Now, all this, I admit, might possibly be

effected, without precisely those formalities which the sinking fund requires; whether it would be done with more clearness and simplicity in the public accounts, I have some doubt; but I am tenacious not of the form, but of the principle. If I can be assured "that forty-five years shall be the utmost "limit of time for which the revenues of the "country shall be mortgaged, and that the "provision made for preserving that limit "shall not be set aside for any temporary "purpose *," I care not in what mode this great principle is enforced.

But it is said that the machinery is expensive. There is always, your lordship observes, a profit to the contractor, and, consequently, a loss to the state, when the government goes into the market to purchase and to sell similar and equivalent securities. This observa-

* View of the State of the Nation, &c., by T. P. Courtenay, Esq., 1811, p. 30.

tion, I presume, you apply only to the practice of the late war, when the purchases of the commissioners went on, at the same time, with the loans, and not to a period in which Mr. Fox's clause is permitted to operate. A refutation of your opinion is therefore superfluous, with a view to the defence of the system of which that clause is a part. But it is not certain that the double process has occasioned a loss.

When Mr. Pitt, how much against his wishes and expectations, no man knows better than your lordship, was led into the war of 1793, and required to raise money by loan, it was his intention, carried so far as to be announced in his budget speech *, to make use of the sinking fund in virtue of the clause. But he was persuaded, and he and all other ministers acted upon the persuasion throughout the war, that the cessation of the pur-

* Parl. Hist. xxx., p. 562—3.

chases would lower the market price of the stock which he offered for the loan, more than the diminution of the amount of loan would raise it; and this was, up to a very late period, the opinion of all the monied men whom Mr. Vansittart consulted, with the single, but certainly very important, exception of Mr. Ricardo. The question is incapable of demonstration. I am, myself, inclined, with Mr. Grenfell, to the opinion of Ricardo; but the opposite opinion is by no means absurd. There is nothing fanciful in the supposition, that if a horse dealer, having been in the habit of buying fifty horses annually, at a fair, and paying a good price for them, were suddenly to discontinue the purchase, and to bring one hundred horses to the same fair for sale, his absence as a purchaser would depreciate the price of horses generally at that fair, more than a reduction of the number, offered for sale, by one half, would

raise it. But I do not press this point, because, when arguing for the sinking fund prospectively, I may presume that the sale and purchase of stock by government will not again proceed simultaneously.

The discontinuance of the double process does not necessarily imply the discontinuance of the whole system; not only the diversion of all the revenues, composing the sinking fund, to the current service, but also the failure to make any provision for the redemption of new debt. By this failure, those who borrow and use the money, throw off from themselves the whole weight of the debt; instead of bearing, as under the plan of the sinking fund, a proportion of it, determined by a previous and permanent rule; which rule requires us to bear, in the first and every year of forty-five, one equal forty-fifth part of the taxation occasioned by extraordinary expenses.

Now, my Lord, the point upon which I am most anxious to explain myself to your lordship is, that this rule involves, *not* a mere question of machinery, but a principle of action; I might almost say, a question, not of finance, but of equity! The rule, in its detail, is arbitrary, and a matter of political arrangement; in its principle, it concerns the fair dealing of man with man.

To conclude upon this part of the subject, "the inefficacy of sinking funds operating in "war:"—I am still inclined to think that the sinking fund, with all its machinery, may usefully be left to operate in time of war, notwithstanding that new loans are raised; but I should deem myself quite successful in my argument, if I could establish with your lordship, and with those by whom the question must be decided, this one great point:—that when we supply the deficiency of our own contributions by anticipations of future revenue, we are to limit the duration of our

mortgage, and bear, during its continuance, our *equal* share of the burden. This may be done, notwithstanding that the machinery of the sinking fund be entirely stopped.

§ 7.

In considering your first chapter, I have necessarily made many of the remarks which occur on the second, wherein you treat of "The operation and results of our present "sinking fund." If, indeed, I have succeeded in my bold attempt to impute to your lordship a misapprehension of the character of the fund, I have already shown the irrelevancy, to our present argument, of the four propositions which you maintain in this part of your Essay.

You state, as preliminaries, that "the two "great objects of the fund are, the increase "of the national wealth, and the reduction "of the national incumbrances*; and that,

* Essay, p. 24.

"vain and valueless is all which it has ever "done, and all which it ever could do, for "the advantage of the public*;"—I answer thus. An immediate reduction of incumbrances, (with which, as you elsewhere† justly say, an increase of wealth is synonymous) is *not* the object of the fund. But notwithstanding several legislative deviations from the original plan, and, perhaps, some errors in practice, it has answered that which *was* its object—lessening, by sacrifices made, in other words, by taxes borne, at an earlier period, the incumbrances sustained by the country at a later time. This position requires no detail of calculation, nor is it affected by any of those which have been made, (with how much accuracy matters not here) to show that, in the whole course of its existence, the fund has even occasioned a financial loss. It is now enough to refer to the material assistance derived by the public

* Essay, p. 26. † p. 34.

finances in 1813, and subsequent years, from the fund, as modified by Mr. Vansittart.

Of this use of the sinking fund, you are aware, for you affirm in your first proposition, that "all the direct benefit of which "this establishment can, on the most favourable supposition, have been productive, "consists in its having, from time to time, "placed at the free disposal of the community, certain portions of annual taxation previously appropriated to the interests of our public debt*." But secondly, "That all the means by which it has actually "produced this effect have been supplied to "it by surplus taxation, levied in excess of "the current expenditure of the state, and "therefore, imposed or continued solely for "this especial purpose."

In these two propositions I concur; they are, in truth, the very ground-work of my argument; the object whereof has been to

* Essay, p. 26.

demonstrate the propriety of leaving this surplus taxation, for the purpose of setting free those portions of taxation previously appropriated. The difference between us arises from your lordship's disregard of this essential circumstance, that the operations described in these two respective propositions, are necessarily separated in point of time. Taxes, for instance, paid in 1800, set free revenue in 1813.

I do not affirm that the burden and the relief have been adjusted exactly according to the principles which I have stated; nor is that a necessary subject of inquiry here. It is enough that taxes imposed and paid at one period have produced relief from taxation at another.

§ 8.

I HAVE read more than once the latter part of your observations in support of your first position, without satisfying myself of the

object for which they are placed there. You state very correctly, that "our public debt," that is, all that we can be required to pay, "consists not in capital, but in annuities*;" that what is called capital "serves only to "express the price at which the state may, "at its own convenience, redeem its engage-"ments†." The only deduction from these acknowledged truths which I find in the chapter is, that no "undue advantage has "accrued to the public creditor, merely from "the needless complication of the form "which has been given to our loans‡;" namely, the form of stock, sometimes greatly exceeding in nominal capital, the money lent. I do not know what is meant by "undue advantage." In a bargain fairly made nothing can be "undue;" but if it is meant, that the amount of this nominal capital is a matter of indifference, either to the state or to the loan contractor, I have again the mis-

* Essay, p. 29. † p. 31. ‡ p. 32.

fortune to dissent. It is either by the purchase of this nominal capital, at the market price, or by an offer to pay off at par, that the state redeems a part of the annuities which it owes. So much of nominal capital at a lower rate of interest per cent. as will yield a given annuity, has a higher marketable value than a smaller capital, which, bearing a higher rate of interest, will yield a similar annuity. The former, therefore, is more popular, so much so, that a loan can seldom be procured in the latter, without a considerable sacrifice of interest. On the other hand, the state is exposed to the probability of having much more to pay for redeeming a similar annuity when funded in stock of the first mentioned description. The question in these cases is, how much heavier a charge for interest is it prudent to incur, for the sake of obtaining money in return for the smaller nominal capital? The amount of the nominal capital can only be a matter of indifference,

if the state never contemplates the reduction of the annuities which it pays, either by purchasing the capital, or reducing the interest. There is assuredly a difficulty in bringing into one account capital bearing different rates of interest, nor can any such account be framed for any useful purpose. But really this discussion is out of place.

§ 9.

The observations whereby your second proposition is supported, are pervaded by the misconception as to times and persons which I have already explained. "For every por-" tion of previously appropriated wealth " which our sinking fund has placed at the " disposal of the community, it has" *not* " withdrawn from *the same* community a " corresponding portion of wealth previously " free and unappropriated*." It withdrew it from their predecessors. When you ask,

* Essay, p. 36.

" In what respect is it a more reasonable or " more real operation to reduce taxation by " taxing, than to pay debt by borrowing*?" the point of your epigram is at once blunted by the observation, that the father, in the case supposed, taxes himself now, in order that the debt which he incurs, may not subject the son to accumulated taxation hereafter.

§ 10.

You carry with you the same misapprehension, through your third proposition; " The " reductions of debt thus effected are mere " exchanges of equivalents†." And there are in this section, striking instances of the imputation of weak and exaggerated representations, to the advocates of the system which you condemn.

A purchase of stock in the market is, assuredly, as all fair purchases are, an exchange of equivalents. In the case before us, the

* Essay, p. 37. † ib.

cost of the purchase is the result of "super-"added taxation." Is this truth now known for the first time? The only question is, whether it be prudent, at a certain present expense, or expense continued through a certain period, to redeem an annuity charged upon us and our heirs for ever. This question was once resolved in the affirmative, and the act followed the decision. Some "millions" have been "removed from our "incumbrances." To produce this effect, corresponding incumbrances had been formerly sustained. All this I freely admit to your lordship, if admission can be applied to "an universal and obvious truism."

I also concur with your Lordship, in trying these transactions, "by a reference to similar "transactions in private life." The case is, exactly that of a landed proprietor, who redeems a mortgage, for the sake of enlarging the disposable income of his heir. He pays for the annuity redeemed, its equivalent value in

ready money, and to make this money dispo. sable, he has taxed himself, by the "wealth "withdrawn from direct enjoyment.*" It is possible, if his affection for his son, or a consciousness of having incumbered the estate a little too much through his own extravagance, render him very highly desirous of liberating the inheritance, that he may even borrow the money, on a life annuity, or an insurance of his life. No doubt, if, instead of redeeming the annuity, he had saved the equivalent in a sum of money to be bequeathed to his heir, the effect would be the same. In neither case, is it pretended that the "purchase is" to him, "a matter of "gain." He suffers the privation; his son derives the equivalent benefit. Whether England was in 1786, or at any other period, or is now, under a like obligation with the landed proprietor, is indifferent in reference to the present object, which is simply to illustrate the reasonableness of redeeming a

* Essay, p. 42.

perpetual charge, by an equivalent sacrifice, even though the transaction produce no profit to the purchaser himself.

Your final remark, under this head, is an objection to the systematic and "invio-"lable maintenance of a sinking fund, pre-"scribed to itself by a nation, by law, for its "own supposed advantage *."

I submit, that if the appropriation be founded upon a principle, it ought to be systematic, and ought, therefore, to be subjected to such sanctions, necessarily liable to be superseded by a new law, as the legislature can provide. Perhaps, if the advantage expected came only to those who from time to time act upon the appropriation, legal sanctions might be more burdensome than useful: but I am certain that, in private life, convenience and comfort are very much consulted, by the systematic appropriation of a particular fund or series of receipts, to any distant object which, even without any posi-

* Essay, p. 47.

tive obligation, an individual is desirous to attain. I do not find one observation, in your section upon the operation of compound interest*, which our previous discussion has not anticipated. It certainly enunciates no propositions which I desire to controvert. I admit that Dr. Price was, if the terms be not contradictory, an arithmetical enthusiast; and that compound interest "consists in adding to the income of the sinking fund, the "annuities which that fund successively redeems." It is in that character alone that its application is suggested.

§ 11.

In your third chapter†, wherein you treat "of "the attempted permanence and repeated "interruption of the system," you state too broadly the necessity of "long and unvaried "accumulation." Much benefit may arise from a sinking fund, even though its authors

* Essay, p. 47. † p. 58.

should be a little too sanguine, or too strict in their anticipations of permanent and unqualified operation. I cannot admit that the history of Mr. Pitt's sinking fund proves either the inefficacy of his measure, or the hopelessness of any attempt to re-invigorate a sinking fund.

If, indeed, the attempt be "to provide for "the true interests of posterity, much better "than posterity itself*," it is likely enough to be defeated; but, here again, I must remind your Lordship that, in maintaining a sinking fund, we do not simply recommend to our successors a course of conduct beneficial to them, or rather to their successors, but we commence that course ourselves; and the benefit is felt, by those who come after us, whether they follow in the same track or not. If they are less provident, or less just to their posterity, their disregard of our example will cast no censure, or work any justification, retrospectively, for us.

* Essay, p. 59.

But your Lordship knows that in using the terms "*we*" and "*posterity*," I can draw no accurate line of distinction between the two. The most lengthened operations of our sinking fund, would not exceed the period during which, not unfrequently, the same man has a voice in parliament, and it may have no inconsiderable operation within a period much shorter; so short, as to render its maintenance a matter of consideration for statesmen who look not beyond the events in which they are themselves to share.

§ 12.

I ADMIT, that "the expected benefits of a sinking fund at compound interest depend," for their permanence and extent, "on its unvaried accumulation," but I deny that those benefits are annihilated by the suspension of that accumulation, or by its cessation before the period originally planned. Let me apply these remarks to your second and third posi-

tions on "the provisions adopted for giving "permanence to the sinking fund of 1786*;" and "the actual failure of these endeavours†."

I have nothing to object to your description of these provisions; I have already sufficiently noticed your criticisms upon their technicalities. Assuredly, these were adopted by Mr. Pitt, "in the hope," in my opinion not entirely "groundless," "of their contri- "buting to give permanence to the system‡." And it is somewhat remarkable that Mr. Fox, who had not that taste for financial details which belonged to the minister, appears fully to have joined in this hope: the only amendment which he proposed was, the introduction of a new fiction. When you describe it as the aim of these fictions, "to induce the "British parliament to act in after times, "in opposition to its own deliberate judg- "ment of what might best promote the public "happiness," and aver that "if they failed of

* Essay, p. 60. † p. 65. ‡ p. 62.

"this, they did nothing*:" you repeat your error as to the relative bearings of the sinking fund upon the present and the future; and you forget that the "public happiness," as well as the convenience of the government, must at any particular moment, almost necessarily be promoted by the diversion of the fund. Surely, knowing the temptation to be strong to depart, for a temporary purpose, from a system of permanent advantage, Mr. Pitt did wisely in throwing the object of temptation as much as possible into shade. Whether similar devices would have the same effect now, I have much doubt; but I believe that they did tend greatly to the end desired.

§ 13.

But truly, my Lord, there has not been the complete failure which you imagine; at least, that failure is not demonstrated by the pre-

* Essay, p. 64-5.

sent circumstances of the sinking fund. I wish, with your lordship, to dwell rather upon principles than upon measures; but I assure your lordship that, without something more particular than the brief history which you give, we cannot illustrate the principle upon which the question now at issue must be decided. The question is, whether we shall now, in time of peace, adopt any systematic plan for reducing our national debt, or preventing its future growth. There is not even, necessarily, now a question, whether our plan shall embrace any period of war which may occur. It is surely not enough for the decision of this question to say that, in a similar time of peace, more than forty years ago, a like plan was adopted, of which, now, scarcely a trace remains; without adverting at least, to this one little circumstance of detail, that within seven years from the institution of the fund, commenced a war of more than twenty years' duration. Even according to your

lordship, if I correctly understand you, every one of the "causes of this failure" is to be ascribed to "that long and perilous contest." How then do they demonstrate the impolicy of the institution during peace?

But your Essay does not trace, with exactness, the operation of these causes; in avoiding details, it somewhat confounds occurrences. It is impossible to make good use of the materials of our decision, without a methodical arrangement of facts, as well as of principles: I invite your lordship to accompany me while I attempt this arrangement.

The sinking fund of 1786, operated without disturbance, and without counteraction by war, until the year 1793. In that interval, political events had occasioned some extraordinary expenses; for these, provision was made by the prudent minister of that day, by occasional taxation *.

The productiveness of the revenue induced

* Rose's Examination, 1792. p. 43.

Mr. Pitt in 1792, when he instituted the new sinking fund, appropriated to each future loan, to make a special grant to the old fund, of one year's clear surplus*. And the future benefit of this surplus he proposed to divide, giving one half to the fund, and, with the other, repealing taxes. It is singular that Mr. Fox†, the leader of an opposition, possessing great interest in the land, and pretending to peculiar sympathy with the people, reproached Mr. Pitt with an unworthy thirst after popularity, because he did not give the whole of the surplus to the fund! In my opinion, Mr. Pitt's was the wiser decision, especially as the appropriation of one moiety to the redemption of debt was not an absolute, but an annual grant; so that while, up to a certain point, settled upon a fixed principle, the income of the fund was inalienable; beyond that point, it was available in the event

* £400,000. Parl. Hist. xxix., p. 824.

† Page 844.

of an accidental deficiency. In the instance before us, the amount was small, and the war soon destroyed the surplus; but the procedure is well worthy of imitation.

The amount of the sinking fund, at the commencement of the war, was more than one million, six hundred thousand pounds; consisting, in part, of the grant of parliament, of the interest, in part, saved by the redemption of debt; but composed, in all its parts, of a real surplus of revenue: about six hundred thousand pounds of that surplus were the result of the operation of the fund itself; or, if you please, for it is in this place exactly the same, of the nation's annual savings.

Here was an available sum, of capital, to lessen the amount of the annual loan; or, of income, whereout the charge of a loan might be provided. The amount was small, but with reference either to the amount of the debt, or to the scale of the expenditure, by no means inconsiderable. As the period du-

ring which the taxes, composing this fund, had been levied, was one of unusual prosperity, there is no pretence for imputing to them a severity of pressure. I confidently submit that through this, the short, but only period of continued peace, the sinking fund had completely succeeded.

Nay, my Lord, I will even venture to ask *you*, whether, if you could now go back to 1793, or rather to that period of 1792, up to which you retained the hope of peace; imagining yourself and the nation to have been as copiously watered as in these latter years, "from the pure stream of science*," would you stand up among your peers, the hereditary possessors of lands and honours, and propose the abrogation of the sinking fund?

Your first chapter would have given me the hope of an affirmative answer; but in that now before me, after enumerating the causes of failure during war, not at this present moment

* Essay, p. 50.

a question between us, you have wrought yourself (forgive the expression) into a train of reasoning, not only against borrowed sinking funds, and against all systematic plans of redemption, even by a real surplus, but almost against payment of debt in any mode whatever.

Your arguments, if I see them clearly through the metaphors which occasionally dazzle me, appear to be these:—first, you say that an accumulating fund exacts a present sacrifice, not only of the taxes which compose the fixed allowance, but of those which defray the purchased, but still continued interests; and that "for this great, im-"mediate, and increasing evil," the only return offered is, "the hope of a speculative "good, deferred to some indefinite but distant "period; and even in its ultimate effect, pro-"ductive of a very questionable and equivo-"cal advantage*." Your deduction is, that

* Essay, p. 70.

"the rulers of any community in the most "prosperous condition of its finances, ought "to apply themselves to the direct interests "of those whose happiness is their primary "and especial charge;" in other words, repeal taxes to the utmost, without any regard to the future.

I submit, that in these passages, there are glaring errors, evincing an inaccurate observation of the system which you condemn. How can it be said that the accumulation of the sinking fund is an *increasing* evil? It is true that the amount of taxes, applicable to the fund, and, therefore, disposable, if the fund be abolished, increases in every successive year; but it is not true that the amount of taxes of which the sinking fund prevents the repeal, increases continually, or increases at all. If the sinking fund of 1786 had never been created, taxes to the amount of twelve hundred thousand pounds annually might, at some time between 1786

and 1793, have been repealed. And if the fund, having been formed, had been abolished or suspended at any time within the same period, there might have been repealed such an additional amount as was equal to the redeemed interest; ultimately, more than four hundred thousand pounds. And this continually growing power of repealing taxes your lordship represents as the increasing evil of the sinking fund, forgetting that, without that fund, the whole of this amount of four hundred thousand pounds of taxes, must have been borne by the country for all time to come! An increasing power of effecting a good, you style an increasing evil, because it is not immediately enjoyed.

Again, the good, you say, is to be enjoyed at some "indefinite, but distant period." The period is not indefinite, and it is not necessarily remote. I will not here re-argue the propriety of assigning a limit to our debt. I will only remind you that the definition of

the period, (subject only to variations of price) is the very essence of the system; and that if at any time within that limit the state is minded to anticipate the period, it may secure a share of the advantage which was ultimately to be enjoyed, proportioned to the duration of its forbearance.

But you add that this contemplated advantage, available, as you say, at a distant period, available, as I say, at any period of the operation of a sinking fund, is, "*as we have seen*, "very questionable and equivocal*."

My Lord, I have looked back, and I cannot find the passage in which you treat the repeal of taxes, and of that advantage we now speak, as other than a great and certain good; I look forward, and I come at once upon a passage in which the repeal of taxes is stated as so much *the* great and advantageous object, that it ought not, on any consideration, not even for the sake of extending its operation,

* Page 70.

to be postponed by any state which has the power of effecting it.

You will probably admit that you have been led too far by the vehemence of argument, when you question even the eventual advantage to flow from the sinking fund. But, you say, in reference to benefits to be realized hereafter, that "an earlier, although "more gradual, repeal of taxes would spread "its benefits in a thousand fertilising chan-"nels, over the wide field of social industry; "and never could its absence be compen-"sated by any forced direction given, after a "dreary vacancy, to the produce of the same "sources, pent up till it bursts these artificial "barriers *."

I am not sure that I have caught the meaning contained in this metaphorical passage. The question is, between repealing, at once, an amount of taxes equal to an existing surplus of annual revenue, and letting

* Page 71.

that surplus operate annually in the diminution of charge; and then, at some future period, whether previously fixed or not, is of no importance here, repealing taxes equal to the surplus and saving. The first alternative which your metaphor contemplates, is an earlier, but it is not a gradual repeal. That epithet is calculated to mislead us. Your suggestion really is to disperse, at once, among the community, the whole amount which is not wanted at the exchequer; in the hope, as I presume, that the increase of wealth thus occasioned, will either augment, at a future period, the produce of existing taxes, or furnish resources for additional taxation. It is only under this construction that your reasoning can have any practical bearing upon the question.

I am well aware of the distrust, with which an argument in palliation of the effect of taxes is received, especially when it proceeds from an official man; but I cannot do justice

to the question between us, without avowing the opinion, that the effect of taxes, upon the wealth of a nation, is usually much over-rated. Taxation varies the distribution of wealth; it circulates it in different channels; but I know not the principle on which it is maintained that, in the channels into which it is thus circulated, it conduces less to the general prosperity.

But whatever be the effect of taxes upon the national wealth, they assuredly occasion much individual discomfort, and almost every man rejoices at their reduction. And upon two points there is scarcely a difference of opinion. First, that the effect of a repeal of taxes, that is, of taxes upon consumption, which comprise the greater part of English revenue, is not always felt by the community at large, in due proportion to the diminution of public income. And this observation is more strikingly just, when applied to the reduction only, not the abrogation of a parti-

cular tax. Secondly, the re-imposition of an old, or the imposition of a new tax, is felt much more severely, both by consumers and traders, than the continuance of one which exists.

It follows, that where there is any probability,—and when is there not?—that political or financial occurrences will require, at no very distant period, an augmentation of revenue, a government which possesses a surplus will consult the convenience and happiness of its subjects most, by so disposing it as to avert the probability of renewed taxation. I therefore confidently submit, that, without any regard to the interests of the next generation, still less of distant posterity, there is wisdom, and kind consideration for the people, in applying a surplus, or a part of it, to a sinking fund. I say, or a part of it, because it is no inconsiderable circumstance that, within a period of moderate duration, a moiety applied to the sinking

fund will effect as much direct relief, as the whole dispersed at once.

If then, my Lord, the expected effect of your fertilising channels is, not the actual augmentation of revenue, but the enlargement of resources to be drawn hereafter from the people by fresh taxation, I am satisfied that, even if your speculation be correct, you estimate wrongly its operation upon the public happiness.

I am well aware that the reduction of duty often increases the consumption of the particular article relieved, and even of others; to the great increase of individual comfort, and sometimes without loss of revenue; this truth ought always to be in the mind of a minister of finance. If the diminution of duty be compensated by the increased consumption, it is a mere financial arrangement, not a question of surplus. It may certainly sometimes be prudent to postpone the appropriation of surplus, in order to give time for

the trial of the experiment, in any particular direction. If you give away your actual surplus, and your experiment then fails, you are without resource, except in fresh taxation; if you apply it to a sinking fund, you have in your hands the means of repairing the loss. According to my principle, I should certainly be unwilling to make this use of a sinking fund, especially in time of peace; it is possible to preserve at once the principle and the immediate benefit; but all that I would now urge upon your Lordship is, that if we look to the possibility of war occurring in our own times, nay, if we look even beyond one single year, we shall disregard your Lordship's counsel to cast away the surplus which reviving prosperity may afford to us.

To return now to the history of actual occurrences; I contend that Mr. Pitt's sinking fund, so long as peace continued, produced an unequivocal and substantial good.

The extent of the advantage was limited, by the return of war; an event so completely unexpected, that, in the very year preceding, our military force had been reduced. Detailed figures are not necessary to show how much the benefit would have been enlarged if peace had continued; I am satisfied that if it had lasted only to the end of the century, not a man in England would now doubt of the wisdom of Mr. Pitt's system, or listen to Lord Grenville's exhortation to renounce it.

§ 14.

But I now, at your Lordship's invitation, consider the actual operation of the system during the far different circumstances produced by war. Under these, you say, "it "compelled us to heap loans upon loans, and "taxes upon taxes, in a series of unlimited "accumulation;"—"it increased the defi- "ciency of the revenue, by the full amount "to which its operations were carried."—

"Its whole amount, all its fixed allowances, "all the redeemed annuities, and all the "pretended accumulations of interest by "which they are increased, served only to "swell the long schedule of taxation."—"In "addition to the war loans, we had sinking "fund loans, rapidly increasing, and ulti- "mately of very large amount."—"To the "new charge of interest created by the for- "mer, a further and similar charge was "superadded by the latter."—"To neither "of these new services were the annuities to "be redeemed by this increasing fund at all "available; both were to be met always by "fresh taxes*."

No wonder indeed, if the ills of which you give this long catalogue, convinced parliament that the system had failed, and led to its ultimate suspension!

But your representation of facts, my lord, I am compelled to observe, is, in some parts,

* Essay, pp. 72, 3, 4.

greatly exaggerated, in others, wholly incorrect.

In order to estimate the effect of the sinking fund, we must consider what would have been the operations of finance if your lordship had, in 1786, outrun the wisdom of your contemporaries, over-ruled the prejudices of Mr. Pitt, and persuaded him to follow the advice which you now give. Let us see, what would have been the variations from the actual state of the national account on one side and the other. I will go no further at present than the year 1802, because in that year the first war terminated, and the first alteration was made in Mr. Pitt's sinking fund; and in the course of the subsequent war, the fund underwent a second, and still more material alteration.

If, then, there had been no sinking fund, the surplus of twelve hundred thousand pounds would have been dispersed, by the repeal of taxes; by that amount the revenue

applicable to the permanent charges of the state, in technical language, the income of the consolidated fund*, would have been diminished;—on the other hand, the charge upon that fund would have been diminished by the amount of the fixed allowance to the sinking fund of 1786; so far, then, the account is not affected by the system of 1786;—the deficiency was not increased, nor any necessity created for an additional loan: taxes certainly were continued; no fresh taxes imposed.

But under the act of 1792, a fixed allowance of one per cent. upon the capital of every new loan was added to the sinking fund, whereby the charge upon the consolidated fund was annually increased; to defray this charge, which progressively increased from about sixty thousand pounds to two millions and a half annually, new and suffi-

* To be strictly accurate, I must observe that £200,000 of this fixed allowance formed a part of the annual supply; but as it was invariably voted, the distinction is merely technical.

cient taxes were imposed. The deficiency, and the amount of the loans, were not directly affected by this part of the operation, any more than by the former.

In addition to these fixed allowances, the sinking fund received the several amounts of the annuity redeemed; that is, of interest upon the stock purchased by the sinking fund. For these amounts no new charge was laid upon the consolidated fund; they were the result of the operations of the sinking fund itself, but for that institution, they would have remained the property of individuals. Through this part, therefore, of the operation again, the national account was not affected; the deficiency was not augmented, no additional loan was required, nor was any tax either imposed or continued.

The result of the whole is, that if we had had no sinking fund in the war of 1793, we should have had at our disposal, the surplus of twelve hundred thousand pounds, provided

that we chose to revive, and again impose, the repealed taxes, to that amount; and, supposing also that we had determined to impose in every year taxes to the amount of the one per cent., we should have had those several amounts disposable, either to defray the charge of loans, or for current services. If they had been applied to current services, the loan of each year might have been diminished; that of 1793, by sixty thousand pounds; that of 1801, by two millions and a half; those of the other years by various intermediate sums.

To this extent you are correct, in ascribing to the sinking fund the origination of loans; it did not divert or appropriate to itself a single amount of capital raised by loan, or of income raised by previous taxation; but it did occasion the maintenance, and the creation, of revenues, which might have been revived, or created, with a view of diminishing the loans. You forget,

that for every addition thus occasioned to the loans, a former amount of debt was redeemed, so that although the sum annually borrowed was increased, no addition was made to the debt.

I know, my Lord, how widely this statement differs from some which have been over and over again made in parliament, and supported by a formidable array of figures; as well as from your lordship's more pointed and forcible statement. It is, however, exactly conformably in substance, though it differs in expression, with that of Dr. Hamilton, whom your lordship, like some others, mistakingly supposes to have placed in a new light, the operation of the sinking fund.

Again then, my Lord, I take my stand with Mr. Pitt, and I confidently submit that he had a right, in 1802, to look back with pride at the working of his system.

He had adhered to it in all its parts.

He had maintained at more than its origi-

nal amount, the revenue which existed before the war; he had made an adequate provision for all the new charges which the war had occasioned. He had made provision for the redemption within the limited period of forty-five years from the origin of each loan, of the whole debt which he had created; he had borne the share in this redemption which that limitation prescribed; and he had lessened by the millions, which his sinking fund had purchased before the war, as well as by war taxes, unknown to his immediate predecessors, the amount to which the debt would otherwise have increased.

Had peace been then maintained, upon the scale of expense of the former peace, independently of any permanent charge arising out of the war, there would have been a clear surplus of revenue, over and above the sinking fund. That fund amounted to five millions eight hundred thousand pounds. If it had been deemed advisable, at that moment, to

put an end to the fund, in order that that large annual revenue might be disposable, that very measure would have been a proof, not of the failure but of the beneficial operation of the plan. This considerable income was, no doubt, the result of taxation, and taxation might, by other modes of proceeding, have raised a similar revenue; but by none, I will venture to say, of such easy and inoffensive operation upon the people. Indeed, the hitherto easy pressure of the system was pretty clearly demonstrated, by the imposition of extensive and productive taxes in the succeeding years.

I must here observe, that it is possible that an additional revenue might have been necessary, even though the war had not been renewed; this necessity is referrible to a circumstance, for which Mr. Pitt's system had not, and could not have, specially provided; the tendency of the ordinary expenditure, during a war, to exceed that which preceded

the war. It cannot now be ascertained whether the increased revenue would have met this new charge; according to the estimates of the period, it would have been more than adequate. It is obvious that a sinking fund, or any system which requires the imposition of taxes during war, beyond the amount required as interest on the loans, affords a ready method of meeting this increased expenditure; if, contrary to the fact of 1802, other means are wanting.

But I will again pause to ask your lordship, whether, if you could now go back to the peace of Amiens, either with or without a more favourable opinion of its duration than that which you entertained, and which the event justified, you would, on reviewing its operation both in peace and in war, counsel, at that period of peace, the abrogation of the sinking fund, or its diversion from the object of its institution?

§ 15.

I MUST now call your attention to a modification, which the sinking fund did undergo in 1802, which has occasioned much of the prevalent misconception of its nature.

We have already seen that Mr. Pitt's sinking fund of 1786 was to operate, for one period at compound interest, afterwards at simple interest, until the whole of the old debt should be redeemed. The several smaller sinking funds created under the act of 1792, were to operate at compound interest, each by itself, until its particular loan should be discharged.

In 1802, the old sinking fund had approached, within six or seven years, the period at which it would operate at simple interest; from that time the finances would have derived an annual progressive relief of about two hundred thousand pounds, for about thirty years. The relief occasioned by the separate sinking funds was computed

to commence in about twenty years; from which period it would operate very irregularly, but very extensively, through a period of rather more than thirty years.

These calculations are subject to much variation; but the truth is, that a mistake of even ten years or more, is of no importance. That which I wish to impress upon your lordship is, how much you are mistaken in speaking of Mr. Pitt's fund as "never to be "made available to any present uses of the "state,—no, not in its utmost necessities, "but continually to be augmented for the "benefit of some remote posterity*."

Mr. Addington, in 1802, certainly with the full concurrence of Mr. Pitt, repealed all the provisions whereby any relief was to be derived from any part of the sinking fund, until the whole existing debt should be discharged, a transaction estimated to be completed in about forty-three years. By thus appropriating to the fund prospectively, large

* Essay, p. 75.

amounts of revenue which would otherwise have been available to the state, he accelerated the period in which the total debt would be extinguished, and assuredly did not infringe the principle of the sinking fund, in reference to the limitation of the national mortgage; but, by greatly deferring the period at which the fund would begin to operate, visibly and intelligibly, to the relief of the people, so as to authorise the repeal of taxes during peace, or the abstinence from fresh taxation, if it should occur during war, he did as much, practically, to bring the system into discredit, as if he had invaded or diverted it. May I be permitted to add, that I held and expressed this opinion at the time* ? I never formed one which experience more amply justified.

* "Observations on the Present State of the Finances, 1803." I take this opportunity of mentioning, in reference to this and other parts of my letter, that I have purposely omitted several details, which would be necessary to a complete history of finance, but have no important bearing upon the present question.

§ 16.

The war recommenced in 1803; the old sinking fund proceeded, and as the act of 1802, had not affected future loans, new sinking funds of one per cent. were created. The amount of the loans, however, was much diminished by the very judicious and energetic resolution of Mr. Addington, (acting, I believe I may say, under the advice, and certainly with the assistance, of Mr. Vansittart*,) a resolution adopted and extended by Mr. Pitt, and by your Lordship, to raise a large proportion of the supplies within each year. This system proceeded without mo-

* I perform a very agreeable duty, in bearing testimony to the judgment and vigour of the measures whereby Mr. Vansittart, now Lord Bexley, augmented, on this, and on other occasions, the revenue of the state; and I am more particularly desirous of adverting to the present measure of raising a large sum within the year by war taxes, because I did express an apprehension, that he proceeded too far. I am now satisfied that, although (as usually happens) the revenue was not at once augmented to the extent of the increased taxation, the measure of 1803 was judicious and successful.

dification for the first four years of the war. I shall not dwell upon the proceedings of 1807, because I am determined to avoid personal argument; it is enough to say that, in that year, a portion of the war taxes was mortgaged for about fourteen years, a measure strictly within the principle of 1792; and that in the following years, other portions were made permanent by Mr. Perceval, and charged with the interest, and corresponding sinking fund, of new loans. It is quite unfair, in my opinion, to object to these measures, as encroachments on the sinking fund*, or departures from its system. They were, in fact, modifications, occasioned by the increasing pressure of the war, of measures which were an improvement upon that system.

§ 17.

But in 1813, a second alteration was made in

* See Mr. Ricardo's article in the Encyclopedia Britannica, cited in the Essay, p. 66.

the sinking fund, which, though very intelligible in its first principle, being very full of details, has tended, if I may so express myself, greatly to mystify the subject; and I am satisfied that your lordship has not carefully considered it.

Its avowed and leading object was to correct the error of 1802, by restoring to the sinking fund, its principle of gradual relief. There were, in my opinion, several objectionable points in the mode in which this object was effected: two I will particularly mention. First, the remedy was applied to a part which was not affected by the disease; in my opinion, if the correction had been applied only to the sinking fund of 1802, the measure would have strengthened instead of impairing, as I am convinced it has, the principle of the sinking fund. Secondly, the principle of self-operation was destroyed, by leaving parliament to fix, from time to time, the amount of the

relief which (always under the limitation which the new, or revived, principle established) the country should derive from the fund. According to the old principle, the revenue set free should no longer have been issued by the commissioners, and would have occasioned an immediate diminution of charge upon the consolidated fund, and consequent increase of the surplus.

The necessity of the interference of parliament in every instance, gave to each the character of an encroachment upon the sinking fund, which has led others as well as your Lordship, into error. Disapproving for these and other reasons, of the measure of 1813, I cannot think you justified in deeming it a violent breach of the barriers * of the institution, and an evidence of the failure of the whole plan. Your remark that "too much was attempted †," is just when applied to the measure of 1802; but it is not just as to the

* Essay, p. 65. † P. 74.

original system; which the plan of 1813 professed to revive, by restoring to the establishment that which, though certainly overlooked by your lordship, was truly, "of its very "essence," a principle of gradual relief.

Now, my Lord, I must again invite you to look back, and review the operation of the sinking fund, up to the period which we are now considering, the first at which it was so relaxed, as to afford present relief.

The sinking fund now amounted to thirteen millions; of which rather more than six millions and a half consisted of fixed allowances; the remainder of the redeemed interest. Certainly, although the sinking fund had never existed, an amount of taxes gradually rising from twelve hundred thousand pounds, to thirteen millions, might have been applied to the current service. And if those sums had been raised in war taxes, they would have constituted a fund, whereon the interest of loans might have been charged, just as they

were charged after the year 1813 upon the sinking fund. The great benefit which the parliament and people of 1813 derived from the sinking fund, consisted in the obligation which its existence had imposed upon preceding parliaments to create the surplus revenue, instead of borrowing the amount upon a perpetuity *. Actual, arithmetical gain, there was assuredly none; financial and political convenience, in my opinion, much.

I cannot allow that, in 1813, the institution could be justly styled inefficient: or one which had consulted only the interests of remote posterity.

Between 1813 and 1822, Mr. Vansittart's measure placed at the disposal of parliament, an annual income of nearly ten millions †.

* "The sinking fund has had a real effect in calling forth exertions which, although they might have been made as well and as effectually, would not have been made, unless to follow out the line which that system required."—"If the sinking fund had not been in view, it is likely that taxes would have been imposed for the interest only."—*Hamilton*, p. 153.

† Commons' Journals, LXXVII. 792.

During the latter years of the war, when the great and successful efforts were made for accomplishing that for which the country had fought so long and so bravely, there were raised upon this annual fund, the greater portion of the immense sums, which those efforts required. For the present purpose, it is no matter whether this was effected by a restoration, or by a subversion, of Mr. Pitt's principle.

Further loans were raised in the same way, during the following years of peace; and thus the income of the sinking fund, within nine years, stood in the place of ten millions of new taxes.

If, then, the sinking fund be considered as having expired under Mr. Vansittart's operations, it will be allowed to have made one of those vigorous efforts, which sometimes immediately precede death. For a testimony of its living merits, let me refer you to one who witnessed, with no ordinary powers of observation, its existence and its decease. "An "efficient sinking fund, in the opinion of

" many gentlemen who sat near him, could
" not exist at the same period that we were
" increasing our debt. In that position he
" did not coincide. He thought, for instance,
" that when Mr. Pitt first established a sink-
" ing fund, and although, during a consider-
" able portion of his subsequent life, the
" country was engaged in foreign wars, by
" the enormous expense of which the debt
" was increased in a far greater propor-
" tion than the sinking fund paid it off; yet
" that, in effect, we then always had a sink-
" ing fund. Of every loan that was borrowed
" to meet those vast expenses, Mr. Pitt pro-
" vided for the interest, and reserved a fund
" of one per cent. for the extinction. Un-
" doubtedly, an incredible weight was added
" to the debt by the protracted war that en-
" sued; but what would have been the situa-
" tion of the country, had she sooner effected
" a peace? All those loans which had been
" borrowed in war time, would have been

"provided for, and there would have been "left an efficient sinking fund. Had this "system been adhered to during the whole "progress of the war, he would have been "the last man to raise his voice against the "sinking fund *." These are the words of Ricardo; and I might rest upon them alone an argument for restoring the sinking fund.

§ 18.

After war had been terminated, and its expenses defrayed, it certainly did behove parliament to replace the finances upon the safe and plain ground on which the war had found them; and I admit that this process might have been sooner and more judiciously conducted. Of the steps taken towards this conclusion a slight sketch is sufficient.

Nothing permanent was attempted, until the year 1819. The object was, after fully discharging all expenses of the war, and re-

* Parl. Deb., New Series, VIII, 316.

ducing the floating debt to a convenient size, to secure a revenue sufficient, according to its average produce, to cover all permanent and ordinary expenses, including a provision for the redemption of the funded debt. A strict adherence to the law of the sinking fund, even as it was modified and relaxed in 1813, would have required a great temporary increase of taxes; great, because the nominal amount of the sinking fund was even then fifteen millions and a half, and the estimated surplus of revenue not more than two; temporary, because the operation of the law of 1813, would have afforded considerable and periodical relief. This taxation would not have been required, if the taxes which existed at the end of the war, had been continued; for there had already been a repeal of taxes to the amount of nearly nineteen millions*; composed, no doubt, principally of taxes specially destined for the war expenditure.

* Mr. Robinson's Budget speech, 1826, Appendix IV.

29348.

It was determined to have a real surplus of five millions *, with which view three millions of new taxes were imposed. No alteration was made in the law of the sinking fund; its nominal amount continued far to exceed the balance of free revenue, and there was now, as I conceive, a manifest departure from the principles of Mr. Pitt, and from those which I have humbly submitted as essential to a sinking fund in time of peace; from this period, and until the year 1823, the operose transactions of the sinking fund were justly exposed to criticism and ridicule. The machinery was now inefficient, even for securing an appropriation, or preserving a prin-

* "Resolved, That to provide for the exigencies of the "public service, to make such progressive reduction of the National Debt as may adequately support public credit, and to "afford to the country a prospect of future relief from a part of "its present burdens, it is absolutely necessary that there should "be a clear surplus of the income of the country, beyond the "expenditure, of not less than five millions; and that with a "view to the attainment of this important object, it is expedient "now to increase the income of the country, by the imposition "of taxes, to the amount of three millions per annum."—*Commons' Journals.* LXXIV. 509.

ciple. Nevertheless it was not until the year 1823 *, that parliament reduced the nominal sinking fund, to the level of the actual or intended surplus. In the interval, Mr. Fox's clause was brought into operation, so that

* "Your committee cannot quit this part of the subject referred to them, without calling the attention of the House to the advantages which would be derived, not only in respect of a simplification of accounts, but also in respect to considerations of still more importance, from a review of the present system upon which the application of the sinking fund is conducted.

"It might not be expedient, during the continuance of the war, and until the experience of several years of peace had placed the revenue and expenditure of the country, upon a footing not likely materially to be varied, to attempt a revisal of the administration of the system, adopted for the reduction of the National Debt; but it seems now advisable, that the sum appropriated for that purpose, should be limited to the amount really intended to be applied to the discharge of debt, and which can be afforded from an actual excess of revenue above the expenditure of the country.

"The opinion of the House upon this subject may be considered as expressed in their resolution of the 8th June, 1819; and your committee submit, that, at an early period in the ensuing session, measures should be proposed for reducing the amount of the nominal sinking fund, upon the principles of the said resolution, and for discontinuing the practice of applying any part of it to the public service, in the form now become customary, of an annual loan."—*Report from the Select Committee on Public Accounts*, July 31, 1822. p. 10.

the more considerable portion of the fund was lent to the public for current expenses: the greater part of the interest and sinking fund being charged upon the fund itself, under the act of 1813.

But even the surplus of five millions has not been constantly realized, since the determination of 1819. This deficiency is owing to the great reduction of taxes; amounting, nearly, to eleven millions and a half, while the decrease of charge by the reduction of the interest on the five and four per cent. stocks, is under two millions. Although, therefore, the five millions have been regularly paid to the commissioners, they have not been the result of a permanent surplus, but have been obtained, in part, through casual receipts; and, since 1823, by what is whimsically called "*the dead weight* arrangement," to which, as being intimately connected with the principle of the sinking fund, and being very little understood, I must request your Lordship's attention.

If the sinking fund had continued on its original plan, or on the plan of 1813, the arrangement would, in my opinion, have been both justifiable and expedient. We all admit that, for the extraordinary expenses of a war, we may reasonably borrow; your lordship says, on a perpetuity, Mr. Pitt said, on an annuity of forty-five years. Now, the charges which are the object of this arrangement, arise strictly and truly out of the war, although, from their nature, being pensions and allowances enduring for the lives of individuals, they are not paid at once, but constitute, so long as they endure, an annual charge (or dead weight) quite unconnected with the current expenses of the state. If they could have been discharged at once, in single payments, which might, perhaps, have amounted to twenty or thirty millions, I apprehend that there would not have been in practice, and certainly not in principle, any objection to raising that sum by loan

charged upon the permanent revenue, with the required sinking fund, for discharging it in forty-five years.

As this could not easily be done, the revenues of forty-five coming years are charged with such an annuity, as will spread equally over that whole period, the authorised limit of a national mortgage, the whole expense of these war payments; which would otherwise press very unequally and severely on the earlier years. By the sale of that annuity, those unequal annual sums are to be raised, while the pressure upon the public is equal in every year.

This equalization is not less reasonable in itself, than it is consistent with the principle for which I have humbly contended; but it is quite inconsistent with the resolution of 1819, discarding, or at least suspending, the principle of forty-five years, and affirming the necessity of "a clear surplus of the "income of the country beyond the ex-

"penditure, of not less than five millions*."

If our sinking fund now stood upon a *principle*, we might justify the "dead weight;" but while it rests upon *a specific surplus*, it becomes delusive, to the extent in which it consists of any thing but surplus.

Moreover, in our haste to repeal taxes, we have adopted two principles, both, as I submit, erroneous. We have included in the account of income and expenditure whereon our balance is struck, every sort of receipt and disbursement, however uncertain or occasional; and we have considered as permanent surplus, which we might freely give away by reducing the taxes, every actual or expected exceeding of revenue, without making any allowance for erroneous estimates, or for fluctuations of produce.

I am far from disputing, indeed I have elsewhere maintained, the propriety of re-

* Resolutions of the House of Commons, of 8th June, 1819.

ducing taxes, as an experiment of the effect of reduction upon the produce of the remainder; but as we are now upon the causes of the failure of the sinking fund, I cannot omit these, to which the present defalcation is correctly to be traced.

§ 19.

I HAVE submitted to your Lordship this history of the sinking fund, in the hope of convincing you that you have misconceived both the degree and the causes of the imputed failure, and that you draw an unauthorised conclusion from the failure which is admitted.

The institution was formed, forty-two years ago. This period consisted, of six years of peace; twenty-four years of war; then twelve years of peace. Its operation in the first period was necessarily upon a small scale; but not even your lordship will impute to it a failure.

The question now being, whether to re-establish the institution during peace, I might fairly disregard, in the determination of that question, the whole following period of war; but I have endeavoured to show that its operation, even during the war, was not without advantage; and that the objection to it is applicable, only, to a mistaken choice between two modes of using it, equally parts of the system. This mistake, if it be one, might be avoided by a recourse to Mr. Fox's clause.

Your charge of failure, upon the present period of peace, it is impossible to repel: but it is a failure occasioned by external violence, not inherent disease.

The violent measures were, the systematic reduction of the fund to five millions; and, the destruction of the surplus, whereout that provision was to come.

The first of these, may or may not have been judicious. It is not altogether improbable, that if the gradual operation of the

plan of 1813, in affording relief, had been sufficiently understood, and impressed upon parliament, it might have been found expedient, at the expense of a continued pressure, to persevere in it; borrowing money for every expense in any degree connected with the war; and maintaining our taxation, until released by the operation of the sinking fund, at the scale of the ordinary peace expenditure, enlarged as it has been by the events of passed years.

But surely, my Lord, it is not just to impute failure to the sinking fund, because, after a war of unexampled effort and profusion, succeeding a very short period of peace, it was not found possible to adhere strictly to a system planned in contemplation of an alternation of peace and war more conformable to experience. The sinking fund of 1819, it is admitted, was not calculated to redeem the debt in forty-five years from that period; still less from the respective periods of its

origin. But the amount bore to the existing debt, a greater proportion than did the sinking fund of 1786; and it was to accumulate without check, until it should reach the point from which the redemption within the prescribed period would be effected.

With all my partiality for the sinking fund, I cannot regard a relaxation in this degree, whether it were one produced by necessity, or by a view of expediency, not quite enough regardful of the future, as a decisive indication of weakness or impracticability in the system. When you consider that it was accompanied by the imposition of three millions of taxes, it ought rather to be regarded as a proof of the determination of parliament, at that recent period, to persevere in the system of Mr. Pitt.

There has, then, been no complete failure, until now, when, through the too liberal repeal of taxes, the surplus has disappeared. It may be true that the diminution of the

fund has been the consequence of attempting too much, more indeed than Mr. Pitt contemplated. The "ultimate suspension," as you style the present state of the fund, is the consequence of over-sanguine anticipations of financial prosperity. Nor can these results be deemed a "decisive experiment" which ought to "lead to the total abandonment of "the system."

One word more, before I quit this long section of the Essay. I believe that I have already disposed of all the passages, wherein you allude to "increasing loans," and "extraordinary taxation;" except one remarkable passage with which you conclude, by lamenting that means had not been found for carrying on the war with more vigour and effect, by sparing to us those additional loans, or additional taxes, by an earlier discontinuance of the system. Your lordship herein correctly ascribes to the system its power of giving, at any moment, such

effectual support as, I have shown, the late fund did afford us, in a period of the greatest exertion. Let it even be granted that the aid will be most efficacious, if sought at the first moment of war, why do you counsel us against collecting, in time of peace, materials so important to the vigorous prosecution of the contest.

§ 20.

In your "conclusion," you dispose of four various heads of advantage, as those which are ascribed to a sinking fund by its different upholders.

1. Some, you say, recommend the system as "a resource in unforeseen emergencies." On this you originally observed, that "a "disposable surplus has its own advantages "and disadvantages *, but, in both, it essen- "tially differs from a sinking fund. The one

* The passage is altered in the second edition, and the disadvantage is explained. It consists in the surplus, "beginning in "needless taxation, and, probably, leading to needless expendi- "ture." Page 80.

" is appropriated, the other free." The one, therefore, you infer, cannot answer the purpose of the other.

In my view, the advantage here ascribed to the sinking fund is incidental only; it certainly was not, and, upon my principle, it ought not to be, an original object of the institution; yet it furnishes of itself a sufficient reason for maintaining it in peace. The " appropriation " of a fund having this origin, would be " the unforeseen emergency ;" but a sinking fund, the most strictly appropriated to redemption of debt, in any other form than a specific pledge to the stockholder, is always within the power of parliament; and its liability to be used on an emergency, may fairly be claimed as one of its recommendations.

2. To raise and uphold the price of stocks, may have been an advantage ascribed to the institution by a fundholder. To a statesman it is none, except under any particular cir-

cumstances, in which a high price of the funds assists a financial operation; this may be, (for we will put loans out of the question) a reduction of the interest of the debt. The effect is not desired, for the benefit of any one set of proprietors, (which would be highly unjust) but for the benefit of all who pay taxes. Considering this as a merely incidental and occasional advantage of a sinking fund, I shall not argue against your opinion of its inefficacy. I believe that the purchases of the commissioners have a great effect upon the price, which is not materially counteracted by any consequent diversion of capital to other investment.

3. Your third supposed advantage is thus described—"The compulsory accumulation "of national wealth and its diversion from "unprofitable expenditure into productive "capital." As stated by Ricardo, from whom you cite it, this beneficial effect resolves itself into relief from taxation. Through the

sinking fund, he says*, we repeal taxes; taxes are generally paid out of revenue, which would otherwise be expended, and which thus come to be employed in increasing the annual produce of our land and labour.

This is not my view of the effect of the repeal of taxes. I subscribe to your Lordship's doctrine, that our object is "not the "multiplication of wealth, but the multipli-"cation of that social happiness which is "derived from wealth, and which consists "essentially in its use." Most assuredly; and there is an addition to the happiness and comfort of every man who finds that he has the "free use" of a part of his income hitherto due to the government, or that, with the same income, he may enlarge his consumption, hitherto straitened by what was, *in effect*, a sumptuary law. In relief from direct or indirect taxation, he experiences one or other of these substantial benefits; for

* Supplement to the Encyclopedia Britannica. "Funding System." Page 421.

the effect which this plan for enlarging, not "narrowing his enjoyments," produces upon the national wealth, he cares nothing.

I, too, my Lord, in arguing for a sinking fund, disclaim all speculative and circuitous advantages; I discard all notions of "forced "accumulation and compulsory saving*;" nor, indeed, is any thing like them to be found in the authority which you quote. I concur in your view of "the proper aim of legislation;" but I would not that the parliament of the day should diminish, by burdensome anticipations, the power of all future legislatures to pursue the course which you recommend.

4. I do not perceive the absurdity which your Lordship imputes to are commendation of the sinking fund, as giving confidence at home and abroad. I know not how accurately an enemy will estimate our power, when there is a question of war between us; but it is obvious that we assert our rights with more confidence, when we know that

* Essay, p. 82.

we possess, not "unreal" wealth, but the facility of maintaining, without additional taxes, fifty thousand additional soldiers, or of realising many millions of money. Undoubtedly, this is the effect, not of a sinking fund peculiarly, but of a surplus revenue; I submit that experience limited, but decisive, has taught us that a sinking fund is the easiest and surest mode of preserving this surplus, and, in that sense, it gives us confidence in our foreign and domestic policy.

§ 21.

I HAVE examined, with a boldness for which I again apologise sincerely, the reasonings whereupon you counsel the abandonment of the sinking fund. I have now to solicit your attention to the details of the advice of an opposite tendency, which, upon the grounds which I have stated, I would humbly offer to the country.

Those grounds are, first, the injustice and

improvidence of an indefinite charge upon the revenues; and, secondly, the expediency of husbanding our resources, for a time of war *.

Your Lordship will observe, that neither of these reasons leads, of necessity, to the establishment of a sinking fund, to operate during war. The latter almost necessarily excludes such operation; the former is quite consistent with a determination to pursue, so long as we have peace, the system, then to be suspended.

My advice is, that we revive the sinking fund, consisting of clear yearly surplus; that we retain, even if we cannot at once strictly act upon it, the limitation of forty-five years; and that that limitation should be maintained in war as well as in peace.

* Dr. Hamilton's third general principle is this:—"The "amount of the revenue, raised in time of peace, ought to be "greater than the expense of a peace establishment, and the "overplus applied to the discharge of debts contracted in former "wars, or reserved as a resource for the expenses of future "wars." Page 7.

A clear yearly surplus is the balance of the average produce of the revenue, over and above the average of the ordinary expenditure. Our permanent income ought to be estimated, upon an average, comprising years of various production; and our estimate of expenditure ought to allow for contingencies. In some years, there will be a balance of income, in others, a slight deficiency; but, if we intend to have a real fund of redemption, we must provide a surplus beyond the average balance of income and expenditure.

However desirable it may be to restore the limitation of forty-five years, I do not think that parliament can prudently, or consistently with recent proceedings, call upon the people for a larger surplus than that which was deliberately fixed by the House of Commons in 1819; and which is now, by law, the amount of the sinking fund. I know not to what extent any expected reductions of expenditure will assist in effecting this surplus; still less

can I estimate the improvement, of which there are visible symptoms, in the existing revenue. I fear that neither of these causes will afford the surplus, without a restoration of a small portion of the thirty millions of taxes, which have been repealed in the present period of peace; and I am aware that taxes may possibly be required to the extent of the whole five millions *.

For reasons already given, I here presume that no further portion of the dead weight annuity is sold; indeed, as we do not at this moment act upon the principle, by which alone that arrangement is justified, it would be better to reduce our actual sinking fund, than to supply it by means of the annuity.

I do not insist upon the immediate imposition of five millions of taxes; we may fairly take two years in the operation, during which we may watch the progress of the revenue,

* In the year 1827, there was no real surplus; the deficiency, which I estimate at about nine hundred thousand pounds, we may fairly expect to supply by improved revenue.

and ascertain the amount required, and the readiest sources for supplying it. That there will be any difficulty in obtaining the surplus, experience forbids me to doubt; it might be procured by addition to the present taxes upon consumption and expenditure, or by the levy of an income tax, to the amount of double the sum required, accompanying a great reduction of those taxes upon consumption and expenditure which are much less conformable to the true principles of taxation, and interfere much more with production and the employment of labour.

The next question regards the limitation under which this sinking fund is to be applied.

By the act of 1823 *, it is to accumulate at compound interest, until it shall amount to one hundredth part of the debt †; that is,

* 4 Geo. IV. c. 19.

† The funded debt, and the unfunded, if unprovided for. I think that no part of the unfunded debt, which, though not specifically provided for, is a charge upon the revenues of the next, or soon following years, ought to be included among the objects of the sinking fund.

until it shall constitute a fund, capable of redeeming the debt within forty-five years from that time, it would appear, the fixed allowance of five millions will continue strictly appropriated; but the redeemed interest may be applied, in the spirit of the act of 1813, "as "parliament may from time to time direct."

This enactment appears to recognise the limitation of forty-five years, but with an important variation from the original principle; it should seem that the period might be continually renewed, and the principle satisfied, if there exist, from time to time, a fund sufficient for the redemption of the debt within forty-five years, if applied at compound interest throughout the period. Now I do not say that this is altogether contrary to the principle of 1792; and it certainly is not contrary to the practice of individuals, which I have invoked in support of that principle.

If we were always at peace, and were con-

tinually to renew our incumbrance at the same amount as that which would be redeemed, this mode of applying the principle would keep down the debt, at its existing amount; but it would be a most improvident scheme for us, who are always liable to war; and would be quite inconsistent with Mr. Pitt's system, which requires the equalization of the permanent income, with the ordinary expenditure, and the maintenance of a clear surplus for redeeming debt.

To your Lordship, however, this supposed system of loans in peace ought to be acceptable; for the arguments founded on the absurdity of our concern for the interests of posterity, would clearly justify us in borrowing, at all times, as much money as we can possibly raise, for any purpose whatever, upon perpetual, still more certainly upon terminable, annuities.

We ought, as I suggest, so to manage our one per cent sinking fund, as to place our-

selves, as nearly as possible, in the situation of having borrowed, in war, upon annuities of forty-five years; and of not borrowing at all in time of peace.

On these grounds, as well as because I object to the parliamentary discretion borrowed from the act of 1813, I disapprove of the provisions of the existing sinking fund act; and conceive that if the proportion of one in the hundred be preserved, it ought to be used for its original purpose of redeeming, in forty-five years, the debt to which each fund is appropriated; this can only be effected by an unchecked operation at compound interest.

Do I then propose that our sinking fund of five millions should so accumulate? I answer no. And my reason is this: we are now, perhaps, in respect of the existing debt, in the situation in which Mr. Pitt stood in 1786; and in creating, or restoring, a fund of redemption, we may fairly fix a period at which it shall begin to work actual relief

from taxation. The unchecked accumulation of the fund, would postpone this relief sixty or seventy years, and then effect it to an amount much too large for one operation.

These several considerations induce me to wish that the fund had been made to operate at compound interest, till it should arrive at eight, or I should prefer, ten millions, and then to operate, as was intended of Mr. Pitt's four millions, at simple interest; effecting in every year, subsequent to the attainment of that point, an additional relief from taxes.

Yet as the amount to which the present law requires the accumulation will probably be upwards of seven millions, it may be as well to leave the law as it stands; hoping that the future parliament, which shall be called upon to act upon the discretion vested in it, or perhaps a little sooner, will, of itself, adopt a definite rule of relief. If I were to suggest a rule, I think that it would be this; —that from that period, one half of the sum annually saved by the operation of the fund

should, as now, be again carried to the fund, and the other half set free.

The present law makes no new or special provision for war. Mr. Fox's clause remains in force, and the rule of 1813, which requires in some cases, a sinking fund, greater than one per cent.* on new loans is retained.

Though I do not see the necessity of this larger fund I am decidedly of opinion that, here again, it is advisable to leave the act as it stands. It will probably be revised at the commencement of a new war; I will only express my hope, that if, as is extremely probable, the operation of the fund should be altogether suspended in time of war, we shall still not depart from the rule which requires the imposition of taxes to the amount of one hundredth part of every new loan. This rule may be obeyed, and the principle of 1792 substantially maintained, without any double process, or any of the machinery of the sink-

* 53 Geo. III. c. 85, s. 5.

ing fund. I hope and trust that we shall never conduct another war without raising a large portion of the supplies within the year. A part of the additional taxes levied for this purpose should be added to the permanent revenue, the surplus of which is, in the ordinary course, applied to current services. The produce would, during war, reduce the amount of the annual loans, and thus operate upon the amount of the debt in the same proportion as if it were carried to a sinking fund*. In peace it would be applied to the sinking fund.

I have said that the one per cent sinking funds, being a substitute for terminable annuities, ought as much as possible to be assimilated to them. A very ingenious but eccentric connexion of your lordship's, the late Lord Stanhope, made a suggestion in 1786†, for securing the unvaried appropri-

* See a similar suggestion in Dr Hamilton's book, p. 154.

† Parl. Hist. xxvi. 17.

ation of the fund, which would have effectually answered this purpose, and may be adopted with much advantage now. He proposed to make the sinking fund a part of the engagement with the stockholder, from which there could be no departure without a breach of faith. By this he intended, not only to secure the inalienability of the fund, but to purchase the stockholder's* consent to easier terms of redemption. There are two modes in which a variation of this suggestion might be applied, during the present period; we might purchase by the application of a part of the fund, the consent of the three per cent. stockholders to the conversion of their stock into a smaller capital at a higher rate of interest; or we might

* As this is the first time of mentioning the stockholder, I take the opportunity of expressing my satisfaction at your lordship's concurrence (evident from your omission of the topic) in the rejection of all *claim* on the part of the stockholder to any sinking fund, except in the one case of the 3½ per cents., in which there is a specific legal pledge. The general pledge is rather to the *land*.

facilitate that which is the most desirable of all the results, the conversion of the permanent, into terminable annuities, the difference being paid out of the sinking fund. I will not now pursue this topic into all the varieties of which it admits, although it is intimately connected with the present discussion, inasmuch as it refers to an effectual mode of "giving permanence to the sinking "fund."

It must be admitted that this mode of appropriating a sinking fund, excludes the possibility of making any other use of it, and is, therefore, inconsistent with the second object of the institution, the collection of the means of carrying on future wars; those at least which may occur, as wars almost certainly will, within our period of limitation. Indirectly, however, our efforts in war would be greatly assisted by the provident and effectual reduction of our permanent debt; and, although, if we have a fund at our dis-

posal, it may be wise to use it in war, I am satisfied that we ought not to be deterred, by the hope of accumulating that fund, from taking the most effectual measures for relieving the country from the perpetual charge, which we ourselves and our predecessors have imposed upon it.

I have only one word more as to the management of our finances. If we make effectual provision for our expenses, the revenue will still fluctuate; there may be occasional deficiencies, occasional surplusses: the former would cause a temporary augmentation, the latter a diminution of the floating debt; and I hope that it will not be until a surplus has endured for at least three years, that we shall again disperse resources which it is difficult and painful to recal. If there should be any doubt of the permanence of the surplus, and the reduction of the floating debt should be thought unadvisable, Mr. Pitt's practice in 1792 should be followed; a part,

at least, of the occasional surplus should be granted for that time, not specially appropriated, to the sinking fund; this would be no grant to "remote posterity," as by accelerating the attainment of the maximum, we should bring nearer to us the period, not very distant now, according to my suggestion, of direct and copious relief.

My Lord, I have now completed my endeavour to lay before the public the facts and principles upon which they are to decide the great question at issue.

I deceive myself if I have not urged reasons, of no inconsiderable weight, in favour of the principle of limiting our charge upon posterity; and I am still more confident that I have shown good grounds for rejecting your Lordship's counsel, which would lead us altogether to disregard our debts, and not even, in this time of peace, to think of reducing them; for this advice, I submit, you cannot cite the opinion of statesman, philosopher, or

economist, or the example of any sober man. Foreign countries will fail you; Russia and France have sinking funds; and the wary and provident government of the North American States, have recently* re-inforced their sinking fund, to operate unchecked during peace, but to be disposable by congress during war.

Your advice my Lord, forgive me for saying it, is really one of those excesses into which orators are sometimes misled by the intoxication of argument; and it is well worthy to be classed with those boasts of heaven-born genius, and magical power, which you impute to us, the advocates of the policy which you reject.

Our error you ascribe to "the love of system." My Lord, although I utterly discard all arguments (if arguments they can be), founded upon a change of your lordship's

* See in Cohen's Compendium of Finance, p. 177, an abstract of the American Act of 1817.

opinion upon the application of a principle; I own that I see with unmeasured surprise, Lord Grenville the contemner of a systematic policy. I have always been taught to expect from you, indeed I have heard, if I remember well, not unfrequently from your lips, an indignant and contemptuous reprobation of occasional devices for carrying on the public affairs: those who were the more peculiar admirers of your Lordship, would boast of your superiority in this respect to your friend and fellow-counsellor; and would sometimes reproach him with too ready a submission to political circumstances, while your Lordship assumed and pursued a statesman-like and undeviating rule of action.

I never could accede to the imputation upon Mr. Pitt, who, according to my humble observation, combined with more of judicious discrimination than any statesman of the time, an adherence to right and chosen principles, with a prompt estimate of passing occur-

rences; and never, in the moment of the obedience to occasional considerations, which his eventful times required, lost sight of his more approved policy.

Yet, in your Lordship, there always appeared a still more tenacious and formal adherence to system, and a reference, in all your opinions, (how impressively enforced upon your auditors, my youthful recollections well attest,) to the permanent welfare of your country. No man could trace a more ancient interest in the soil of England; no man's counsels carried that interest further into the time to come.

And, now, it is by Lord Grenville that we are taught to ridicule systems, and to disregard future generations; to satisfy our own wants from year to year as we can, leaving to annual consideration the settlement of our most important concerns, and not caring how we may affect or embarrass our posterity.

I earnestly hope, that the Lords and Com-

mons of this day will deem otherwise of their duties as statesmen; and that if the still remaining consequences of the late struggle, have left us too weak to sustain the vigorous counsels of Pitt, we may still adhere to the resolution suggested by the practical wisdom of Castlereagh, and enforced by the eloquence of Canning.

I have the honour to be, with great respect,
My Lord,
Your Lordship's,
Most obedient and humble servant,
THOMAS PEREGRINE COURTENAY.

London, April 30th, 1828.

A LETTER

TO

HIS GRACE

THE DUKE OF WELLINGTON,

FIRST LORD OF THE TREASURY,

&c. &c.

IN ANSWER TO

LORD GRENVILLE'S ESSAY

ON THE

SUPPOSED ADVANTAGES OF THE SINKING FUND.

IN FOUR PARTS.

I. ANSWER TO THE FALLACIES OF LORD GRENVILLE'S ARGUMENT.
II. THE EFFICACY OF THE SINKING FUND.
III. OBLIGATION TO MAINTAIN IT FROM PUBLIC FAITH.
IV. NECESSITY OF A SURPLUS FUND.

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TO

HIS GRACE

THE DUKE OF WELLINGTON,

FIRST LORD OF THE TREASURY,

&c. &c. &c.

My Lord Duke.

As your Grace occupies that office in His Majesty's councils to which belongs the origination of all public measures, I feel the less reluctance in addressing you upon a subject, in which, as I humbly conceive, the most important public interests are concerned.

In an "Essay upon the supposed Advantages of the Sinking Fund," by Lord Grenville, it is the strenuous advice of the

noble writer, that the Government should no longer uphold a system which presses so heavily upon the present means of the country, and which, according to his principles, pays off debt in no greater amount, than that in which the money paid is immediately drawn from the people. It is unnecessary to urge, that the rank and character of the noble writer, together with his large participation in the original measure, superadd his personal authority to the weight of his reasoning, and excite a strong prejudice in favour of his argument. I will not hesitate to say, that I have much more apprehension from the effect of this authority than I should entertain from the unassisted weight of his Lordship's reasoning. In their judgment, as well as in their conduct, the greater part of mankind, my Lord, is led by example; and whilst the world is constituted as it is, the character and reputation of a speaker, or writer, will always be carried to the credit of his argument.

There is still another circumstance which appears to me to render it most important to call your Grace's attention to this subject at the present period. The Finance Committee is now sitting, and is engaged in an inquiry upon the general expenditure of the country. The object of this Committee must manifestly be two-fold. First. To reduce our annual expenditure, so far as shall be consistent with the effective discharge of the public service. Secondly. To prevent the growth of the national debt, and to make such an impression upon its amount during a period of peace, as may enable the country to encounter the expences of any future war. It must be totally unnecessary to urge, that the latter of these objects can only be accomplished, either by upholding the system of the sinking fund, or by proposing some new mode by which the vast amount of the public debt may be gradually reduced.

Those who propose relief from present taxation will always find willing auditors.

In passions and feelings the public is too much like an individual; or, perhaps, is still less reasonable, and more susceptible of wrong impressions, inasmuch as it is less under the control of character and responsibility. It is the duty of a statesman to consult for the distant as well as for the immediate good of the country. But it will always be the nature of the people to consult only for its own immediate ease. I do not intend to say, that there exists any duty to assume an intolerable burthen upon ourselves for the relief of a remote posterity. But I do intend to assert, that it is a most mean, selfish, and narrow prudence, to consider the state as a creature of the day, and to transmit a ruined patrimony to our immediate children.

Your Grace will perceive, that Lord Grenville, as an economist and financier, has put himself at the head of a new school, and proceeds to a greater extent than Ricardo, Dr. Hamilton, and all preceding writers. His proposal is to abolish

entirely what *they* only wished to qualify. His argument is, that our whole system is founded in delusion, and is an intolerable present burden, without any resulting benefit whatever.

The object of the present Essay is to show the fallacy of his Lordship's argument, and to establish the necessity of upholding a system, which, as it appears to the writer of this answer, is so connected with the public credit of the country, and with the due maintenance of its resources, as to render it incumbent upon the Government to uphold it, no less from the obligations of public faith, than as the means of public safety.

With this purpose I beg leave to submit the following pages to your Grace's consideration, in which I have endeavoured to take as brief a view of the subject as its very complicate nature would admit.

The present Essay consists of four chapters, or parts.

The first chapter contains a general re-

view of the principles and arguments proposed by Lord Grenville, and points out their fallacy in the extent in which they are laid down by his Lordship.

The second chapter treats of the efficacy of a sinking fund, upon principle as well as experience.

The third chapter treats of the obligation of maintaining a sinking fund, on the grounds of faith to the public creditor.

The fourth chapter establishes the necessity of a surplus fund; and,

In the conclusion, a brief review is attempted of the relative value of the different measures proposed for reducing the public debt.

I have the honour to remain,
With the highest respect,
Your Grace's most obedient
Humble servant,

THE AUTHOR.

May 2, 1828.

LETTER

TO THE

DUKE OF WELLINGTON,

&c., &c., &c.

CHAPTER I.

Of the three fundamental fallacies of the writer of the Essay on the Supposed Advantages of the Sinking Fund.—1. That there is no practical reality in the operation of compound interest as applied to the sinking fund.—2. That all such operations are only exchanges of equivalents.—3. The use of the term people in an equivocal sense, viz. as an individual and a collective body in the same premises.

Such important public interests are concerned in this question, and the matters comprehended in it are so weighty and ample, that it would be loss of time to occupy the reader with general introductory matter. The subject must be entered upon at once, though at the hazard of some abruptness. In discussions of this kind, it is usual to cloud the question by one of two modes; either by a technical phraseology, which needlessly obscures both the subject, and the matter of reasoning, to the ordinary reader; or, by a general common place, half reasoning and half discursive, which envelopes it in words, and too often hides

the main question both from the reader and writer himself. In order to avoid this inconvenience, I shall confine myself as much as possible, in the first place, to a brief exposition of principles, and secondly, to the manifest inferences from them, without colouring and without comment. I trust, that I shall thus be enabled to place my subject in so clear a point of view, as to leave no doubt whatever upon the mind of an impartial reader.

My object in the first part of these observations is, to establish to the conviction of an unbiassed mind, that the public good requires the resolute maintenance of the sinking fund as now established, and this in its two characters, as a sinking fund and as a surplus fund. In order to effect this purpose, I shall attempt to establish the three main points, into which the subject most naturally divides itself:—

1st. The obligation on the good faith of government to maintain a sinking fund, as a part of the system under which the national creditor had been induced to advance his money; and to the maintenance of which he looks, not only for his security, but for his stock attaining that value which he contemplated at the time of his original advance.

2dly. The necessity of a sinking fund from its

own independent efficacy; that is, as a system working by compound interest to the gradual reduction or the keeping under of the public debt.

3dly. The necessity of a sinking fund to be ready as a surplus revenue, and this chiefly for three reasons, and for three occasions: 1. To supply a sum when required in any great and unforseen emergency. 2. To be at hand to assist in maintaining the credit of the national securities in any season of extraordinary deficit of the revenue. 3. To put our own public securities upon a par with those of foreign countries, which have adopted the system of a sinking and surplus fund after the example of Great Britain.

But before approaching this part of the subject, it will considerably clear up the difficulty of the discussion, to examine the three general principles, which the noble author of the Essay on the Supposed Advantages of the Sinking Fund lays down as the basis of his argument. These are:

1. The entire dependence of every sinking fund on an actual existing surplus of revenue.

2. The consequent inutility of all borrowed sinking funds.

3, The no less evident impossibility of deriving benefit from a sinking fund operating in time of war, or of otherwise deficient revenue.

The two last of these principles are little more than co-rollaries deduced from the first.

With respect to the first principle,

There is no doubt that no sinking fund can be productive of real benefit, except where the ordinary income of the state has reached an amount permanently exceeding its current expenditure. To reduce debt, being the principal and immediate object of a sinking fund, it follows that there must be a surplus from which such sinking fund can be supplied, and that such surplus should be appropriated to the redemption of debt. But it by no means follows that there can be no sinking fund, unless there be an actual existing surplus of the whole revenue of the state on all occasions. The revenue of the state is ordinary and extraordinary. It may be sufficient one year; but require the assistance of loans in another. No sinking fund can be established, unless there be an excess of ordinary revenue adapted to work it; but suppose an extraordinary expenditure becomes necessary from unforseen circumstances, will it be contended that a sinking fund, before established, is thereby annihilated? Cannot the state, having already provided for the sinking fund

as a charge upon its ordinary revenue, raise new resources of its own to meet extraordinary expenditure? For example, when the sinking fund of one per cent. on the war loan of 1793 was established, which, (by a specific appropriation) was intended to redeem such loan in a period of forty-five years: will it be said, because it became necessary to borrow in the succeeding year 1794 (there not being an actual surplus of revenue to meet the occasions of that year), that there was no sinking fund in operation towards the redemption of the loan of 1793? This scarcely can be contended. The loan of 1793 and the fund provided for its repayment were altogether unaffected by the deficient revenue of the following year; so long at least as the taxes raised for that loan, and its appropriated sinking fund, remained productive. The sinking fund of 1793 was a fresh surplus, created by new taxation, in addition to the surplus existing before. In the same manner, the sinking fund of 1794, and of subsequent years. The principle therefore of the noble author is too generally stated. If he had said that every sinking fund entirely depends on an actually existing revenue appropriated to the support of such fund, he would have stated his proposition correctly. The sinking fund is nothing more than an annuity raised by taxation for a particular purpose; as in the example of the first war loan in 1793. And so long as the revenue created for

its support, and the taxes imposed for that year, were in full efficiency, such sinking fund could not be said to depend on the whole revenue exceeding the wants of the nation in a subsequent year. New resources might be opened, and, in fact, new taxes were created, to meet these deficiencies of the revenue; and the sinking fund of 1793, and the loan to which it was appropriated, remained precisely as before the deficiencies occurred.

Take the example of a landowner, whose present income raised from his estate is 1,000*l.* per annum, which he has exceeded by 500*l.* It becomes necessary to provide for payment of this excess in the ensuing year, and he borrows for that purpose the 500*l.* required, paying an interest of 6*l.* per cent.; 5*l.* per cent. on the principal, and 1 per cent. to constitute a redeeming fund. In order to meet this excess of expenditure, he advances his rents 30*l.* per annum. Now it is obvious, provided his tenants can afford to pay this extra rent, that in 45 years, at the latest, he will have redeemed the 500*l.* This transaction would be free from all doubt: but, suppose that in the next year he requires 500*l.* more, and in order to raise, and to extinguish, the new loan at the same period of time, he advances his tenants an additional 30*l.*; which they are able to pay and *do* pay; will it be said that the sinking fund advanced upon the first 500*l.*, namely, the 1*l.* per

cent. raised for its redemption, is at all impaired in its efficacy, because the borrower has been obliged to have recourse to a loan in the second year? Certainly not. Each loan depends on its own distinct resources; and, provided the general value of the estate, and the ability of the tenants, be sufficient to satisfy the new demands of the landowner, that is, provided, as a new debt is incurred, new resources are specially opened and applied (which was the case of the war loans, at least, from 1793 to 1802), it is erroneous to assert that no sinking fund could be in operation, because the state was in the condition of a borrower year after year. The state may indeed go on borrowing till its resources, ordinary and extraordinary, altogether fail; and the landlord may raise his rents till the tenants can no longer pay them, and then no sinking fund can be constituted. A surplus there must always be. This surplus is the excess of taxes raised beyond the ordinary expenditure of the state, which are to work out the redemption of the whole debt by the usual operation of such funds. Should such surplus fail, the sinking fund is *pro tanto* impoverished or destroyed; but it would be absurd to say, because an extraordinary expenditure is required for any particular year, that the whole system of borrowing, with specific redeeming appropriations, is destroyed. The state must create new resources as new emergencies arise. Thus, the efficiency of the

sinking fund will be found ultimately to depend, not on the failure of the revenue of this or that year, but on the general ability of the country to discharge its engagements. In the case put, Lord Grenville does not seem to question this ability.

Secondly. *The consequent inutility of all borrowed sinking funds.*

This is the second principle of the noble author, who dwells on the "utter worthlessness, the total and hopeless utility of a borrowed sinking fund." "Can it be profitable," he says, "to any man to buy up in the open market his own engagements with money raised at the same moment, and in the same market, by a corresponding issue of similar securities?" And again, "debt, redeemed by a fresh creation of debt, is much worse than nugatory; it is almost always prejudicial to the debtor." And again, "To reduce debt by borrowing to the same amount on terms of equal or greater disadvantage is a manifest fiction in finance; a fiction in that branch of government, in which, above all others, fiction is most to be condemned."

Now, supposing the fact to be as stated, that the sinking fund was borrowed, that the government, or the commissioners, went into the market, and contracted for a sinking fund of five millions, the author's proposition might be true, though,

even in such a case, the principle must be taken with some limitations. But the noble author is under a most extraordinary error in fact. THERE IS NO SUCH THING IN THIS COUNTRY AS A BORROWED SINKING FUND. Lord Grenville denies the existence of the national debt in capital, but properly designates it as a debt in annuities. "That debt is continually spoken of, he says, as if it were composed of the nominal amount of our public securities; but it is really composed only of the annual payments guaranteed by those securities." Again; "the state has not borrowed his (the stockholder's) money at interest, under an obligation of repayment, but has sold to him an annuity. To such a transaction, the words loans, and debts, capitals and interests are not strictly applicable."* Now it must be admitted that the sinking fund partakes of the nature of the debt, and if the terms loans, debts, capitals and interests, are not applicable to the debt, they are not applicable to the sinking fund. It is an absurdity to call the sinking fund a borrowing to pay off a debt. This fallacy arises from the mode of stating the account, and from the ordinary method pursued in keeping the accounts between the state and the commissioners. It would be just as reasonable to represent that the civil list was supported by a loan, as that the sinking fund had

* P. 29.

been supported by a loan. The sinking fund neither is, nor ever was, a sum borrowed to form a capital, but an annuity granted to pay a debt. The sinking fund is composed of a surplus of revenue. How it was formerly constituted, and under what condition it now exists, will be explained in the third chapter of this treatise. But it would be just as reasonable to say that when the income tax was levied, it was a loan from the people to the government, as to represent that the present sinking fund, first constituted in 1819, upon a surplus of 2,000,000 clear revenue, and the imposition of 3,000,000 of new taxes, was a borrowed sinking fund. It is borrowed precisely in the same sense as a tax is borrowed. Abolish the sinking fund, and you do not extinguish a debt, but you repeal, or have the power of repealing an amount of taxes.

The third leading principle of the noble author is. *The no less evident impossibility of deriving benefit from a sinking fund, operating in times of war, or of otherwise deficient revenue.*

The fallacy of this principle has been pointed out in investigating the first. The operation of a sinking fund does not depend upon a state of war or peace, but upon the productiveness of the taxes imposed for its support. The question must be, is there, or is there not, a revenue equal to its support? When the noble author asserts that no

sinking fund can exist, except in periods of peace, he contradicts experience. If a sinking fund be, as stated, a surplus of annuities, or taxes, beyond the expenditure of the government, raised in order to redeem a debt, by the operation of accumulating interest, it is difficult to see, why such a system cannot be supported, (under increased pressure, doubtless) in war as well as in peace. But war (says Lord Grenville), by absorbing our ordinary income, affords no excess of millions for the reduction of debt; the surplus created for that purpose, in peace, being drunk up by the dog star, "the stream will become dry, and all possibility of benefit from a sinking fund will vanish."

It is true that the expenditure of war will, in most cases, exceed the ordinary revenue of the country, and the taxes required for a sinking fund may thereby be diverted from their purpose,—and no doubt, if the resources of this fund be cut off, its channels will be empty. But is it not the ordinary prudence of government to provide for this occasion? May not a powerful and active sinking fund be preserved,—still maintained in all its vital spirit, and remain unaffected by any other contingency than that, which by destroying all public credit, shall bury both debt and its redemption in one common ruin. Surely this is not only practicable, but in a state of high national credit and prosperity perfectly easy.

A new war may require new loans and new

taxes for their support, and a new sinking fund may be raised for their redemption; or the fund already existing may be enlarged and strengthened to support a new weight. But it does not follow that the revenue, already appropriated, is inadequate to the purposes for which it was raised, because, for the expenditure of war new loans are required, and new taxes to defray them. "The sinking fund," says Mr. Ricardo, "was established with a view to diminish the national debt during peace, and to prevent its *rapid increase* during war." Neither Ricardo nor Dr. Hamilton deny the efficacy of a sinking fund steadily applied in both cases. They do not go the length of the noble author in asserting its utter impossibility of producing any rational benefit in times of war. The error of Lord Grenville throughout is in falling into extremes on both sides of his argument; first, in denying the reality of compound interest altogether, and next, in expecting more from a sinking fund than the nature of it would warrant, or than its authors ever contemplated. His Lordship first calls it capital, and not an annuity. He then considers government as borrowing it of the people, and argues as if the people were doubly incumbered; first, with the loan; and, secondly, with the annuities raised for its redemption.

That the sinking fund steadily applied would have effected all its purposes there can be no

doubt. The sinking fund of Mr. Pitt in 1786, reinforced by some temporary aid, redeemed nearly 4,000,000*l.* of the public debt. The sinking fund appropriated to the early war loans (taking the average price of 3 per cents. during the war at between fifty and sixty) would have cancelled all the debt of those years, had not the necessities of the state compelled a diversion of its income. As it was, the principle had worked with such unerring certainty, that in 1813, more than 38,000,000*l.* of the national debt was redeemed, and an income of 15,000,000*l.* yearly had accumulated in the hands of the commissioners. It is true, that this was the consolidated capital of the old and new sinking funds, and, in the crisis of the war, it was judged necessary to apply the greater portion of it to the services of the year; but the principle of redemption and good faith to the public creditor were never forgotten.

I now proceed to the three fundamental fallacies which pervade every part of the argument of the noble author.

The *first* of these is, that there is no reality in the alleged productive operation of a sum accumulating at compound interest as a sinking fund; that is, as a fund to be applied to the redemption of a debt due from the people, and to be redeemed by an accumulating interest which must be paid by the people.

Secondly. That it is a mere affair of an exchange of equivalents, and that such an exchange can in no case operate to the effectual relief of the people; that nothing can be gained by such an exchange, inasmuch as an equivalent is given and received.

Thirdly. The use of the term "people," in a double or equivocal sense in the same premises; that is, using the term at the same time in the sense of a collective body, and in the signification of a natural individual.

By the examination and clearing up of these fallacies, I shall come at once simply and perspicuously to the principles upon which the inquiry turns: that is, to the establishment of the three propositions into which I have above distributed the argument. I commence with the first of these fallacies:—

1. *That there is no reality in the alleged productive operation of a sum accumulating at compound interest as a sinking fund; that is, as a fund to be applied to the redemption of a debt due from the people, and to be redeemed by an accumulating interest, which must be paid by the people.*

Upon this part of the subject, the argument of the noble writer of the Essay is contained in the following paragraph:—

Dr. Price, says he, observes, "that one penny put out at Our Saviour's birth at five per cent., compound interest, would, in the present year, 1781, have increased to a greater sum than would be contained in two hundred millions of earths, all solid gold. But if put out to simple interest, it would, in the same time, have amounted to no more than seven shillings and sixpence." Upon which Lord Grenville proceeds to observe, "In this parallel"—this comparison of the relative efficacy of 100*l.* at simple interest, and 100*l.* at compound interest—"Dr. Price has assumed, without proof, the identity of the amount of wealth so employed. The two operations are, so far from being identical in this respect, that, in this very point, the difference between them essentially consists. The only reason why the same original sum, employed at compound interest, reduces debt faster than at simple interest, is, because there is thus expended, for that purpose, within the same period, a much larger amount of wealth. And what wonder is it, if, with more money more stock is bought? Who does not see, that a capital without its interest cannot be identical with the same capital increased by the addition of its interest—that an annuity of a hundred pounds is less than one of a hundred and five pounds; and that this difference will increase as often as fresh interests are added to the latter sum, while the former continues unaltered? Must we not conclude, therefore, with-

out meaning the smallest disrespect to the memory of Price, that his whole reasoning on this subject is fallacious? The results which he has so strikingly contrasted, the few shillings of the one case, and the inestimable riches of the other, are really the products; not, as his argument supposes, of the same amount of wealth differently employed, but of different amounts of wealth similarly employed. He operates, in the first instance, with a single annuity of fixed amount, and, in the second with a mass of annuities, increasing by unlimited accumulation. And how could the difference of their power be less than infinite?"

Now, without meaning any disrespect to the noble writer of the Essay, it will require very little to show that he himself, and not Dr. Price, has here fallen into a fallacy; and into that species of fallacy which is termed, by logicians, the confusion of the substance with its modes. A hundred pounds employed at simple interest, and a hundred pounds employed at compound interest, is manifestly the same substance, but employed in two different modes; the one in the way of simple interest, the other in the way of compound interest. The issue, or produce, of the hundred pounds, at simple or compound interest, is the relative produce of the same sum, the same substance, the same thing, applied in different ways. Dr. Price's argument requires him to show, that an hundred pounds employed at simple interest,

and one hundred pounds employed at compound interest; that is, the same *sum*, the identical *amount*, would produce (without any extraneous aid, but from its own operation only) such different relative amounts; and he does show it. The identity that his argument requires is the identity of amount. It is true that, in the process of compound interest, the principal is progressively increased by the addition of the accumulating interest; but this addition is still the issue and produce of the same one hundred pounds. To explain this reasoning by an illustration more familiar, perhaps, than elegant—If an animal breed only her own young yearly, the amount of stock, at the end of ten years, may be ten, or a dozen head. But if not only the animal herself breed her young, but every young has its own offspring—every young its young—it is manifest that the stock may, in the ten years, amount to a very large increase. But in both these cases the produce is the issue of the same animal. Nothing extraneous to the original animal has been brought in. The different produce of the animal itself only breeding, and the animal and its young breeding, are the relative produce of the same identical animal; that is to say, nothing extraneous to the original procreating power has been produced.

The manifest inference from the above prin-

ciple is, that there is a reality in the operation of compound interest,—that there is a most effective difference between the same sum employed at simple and compound interest, and that there appears no reason on the face of the argument, why this principle shall lose its effect when applied to a national sinking fund.

2. *Upon the fallacy contained in the proposition, that the reductions of debt effected by the operation of the sinking fund and compound interest, are mere exchanges of equivalents; and that such exchanges can in no case operate to the effectual relief of the people; that nothing can be gained by such an exchange, inasmuch as the same value only is given and received.*

Under this head, Lord Grenville's argument is briefly this—"In all these cases, the benefit and sacrifice have uniformly been of an exact equal value. The benefit has consisted in the purchase of certain public annuities. The sacrifice has consisted in the cost of those purchases. But all these purchases have been made by free competition in the open market. Each portion of stock, so bought, was, therefore, at the period of its purchase, the precise equivalent of the money which was paid for it. It is, therefore, a mere exchange of equivalents. Every purchase has been made at the market price, and therefore

implies, on both sides, an equal transfer of exchangeable value."*

All this may be granted; and, if nothing more was intended to be affirmed, than that all bargains in the market of the world are necessarily exchanges of equivalents, or, in other words, that the article bought is worth its money price, and that the money price is only the exact measure of the value of the article, it would be impossible to dispute such an obvious truth. But the proposition manifestly goes further, and, grounding itself upon these undeniable premises, infers, that there can be no benefit, no advantage, no utility, in the transaction, inasmuch as the same value only is given and received; for, as the public have given as much for the redeemed annuities as they were worth in the market, where is the benefit or gain?

The fallacy comprehended in this part of the proposition consists in losing sight of the distinctions of value, or perhaps too rigidly adhering to the technical notion, to which the political economists of the day have confined that term. But there are manifestly two kinds of value, absolute value, and particular value,—that is to say, the value of an article in the general market of the world, and its peculiar value to the particular buyer. In the market of the world, every article

* Essay on Supposed Advantages, &c. pp. 37 to 47.

and commodity has its certain adjusted value, which, as abstracted from all the circumstances of the buyer, and in no degree depending upon those circumstances, or affected by them, may be termed its absolute value. In this general market, the article sold and the price given for it will be exactly equivalent, and the exchange will therefore be a mere exchange of equivalents. The absolute value, therefore, of the money given, and of the article bought, will be precisely the same; and, as regards this point, namely, absolute value, the buyer will certainly gain nothing in any such dealings. But is it not manifest that, from the particular circumstances of the buyer, and from the peculiar aptitude of the article bought to those circumstances, such article may have a relative value very far exceeding its general value; and, though the buyer may have gained nothing in the exchange on the score of general value, he may be a great gainer in the point of relative value?

Suppose, for example, a landowner sells the timber on his estate to pay off a mortgage, or the interest of a mortgage, which is about to be foreclosed; when he carries his timber into the market and gets his price for it, he so far only makes an exchange of equivalent. So much money for so much timber. He has got the money, but he has parted with the timber; he has given value for value, and so far he cannot be said to have gained any thing in general value. But let the

question be put to any common understanding, whether, under all the circumstances of the case, a landowner so selling his timber to save his estate has not gained by the transaction? In plain words, there not only may be, but in the daily practice of life, there always is, such a difference between absolute and particular value; between the general value of an article in the market of the world, and its particular value as it may respect the circumstances of the dealer: And it is in no case a certain conclusion, that a party gains nothing by his dealings in the market of the world, because such dealings can never amount to any thing more than a mere exchange of equivalents.

All fair commerce is a mere exchange of equivalents; and yet, in fair commerce, both parties are generally gainers; each parts with what he can spare, and acquires what he wants.

If the argument of the noble writer were indeed true to its full extent, that nothing is gained by an exchange of equivalents, and that all payments in redemption of debt are of this nature, the necessary conclusion would be, that no man's situation would be improved by the discharge of his obligations, and that nothing would be gained by the gradual redemption of incumbrances. Indeed, he appears to suspect this consequence of his own argument: "Suppose," he says, "a landed proprietor, with money saved out of the

proceeds of his estate, buys off a rent-charge with which it is burthened. What profit does he find in the exchange?" It is wonderful how the misuse of terms may mislead the most acute minds. Instead of the word profit, employ the terms, what utility, benefit, or improvement in his situation has such landowner effected, and the question will require no answer. The money so saved by the landowner, and so beneficially employed to clear off his incumbrances, might otherwise have laid uselessly in his drawer, or perhaps have remained in the hands of his banker, and not necessarily have been making interest. In paying off his incumbrances, he has applied it to a lucrative use, and has permanently improved his situation. Can it be fairly said, that he has gained nothing by such a transaction?

Now, what is the result of this reasoning? Is it not, that there may be a great positive advantage, a great improvement in our condition, by dealing in the market of the world for the gradual buying up and redemption of the national annuities; although, at the time of the purchase of these annuities, the commissioners of the national debt should give their marketable worth; and that, although in the general market all dealing is necessarily a mere exchange of equivalent (as regards the value of the article given in exchange in *such market*), there still may be such circumstances in

the price given, or the article bought (as regards *the buyer or the seller*), as may make the relative value of the thing gained greatly preponderate over the general value; or, in other words, may be productive of a great utility, and a vast improvement in the condition of one or other of the parties.

Let me conclude this part of the subject by supposing a case of daily occurrence in the business of life. Suppose that a person has an incumbrance of ten thousand pounds upon his estate, and should pay it off at the rate of one thousand pounds per annum, how will Lord Grenville's principle bear upon this? You have gained nothing by this transaction, the noble writer will say, as you have made a mere exchange of equivalents. You have paid off ten thousand pounds debt in ten years; but then you have given away ten thousand pounds of your savings; you have, therefore, done nothing. But how different would be the language of any prudent friend, to whom such a landowner should relate what he had accomplished. You have done well, he would say; first, in saving, and then in carrying your savings to a good account. You have paid off the incumbrance on your estate, and you have paid it off gradually. You have got rid of the debt, and you have scarcely felt the effort.

3. *On the fallacy resulting from employing the term* "PEOPLE," *in a double or equivocal sense in the same premises—that is, using this term at the same time in the sense of a collective body, and in the signification of a natural individual.*

This is another most considerable fallacy pervading the whole work of the noble writer, and not only obscuring his view of the subject, but by the force of mere words misleading him into erroneous conclusions. Its important effect upon the whole argument may be rendered intelligible from an example. It is true, for instance, that all taxes are raised upon the people, and it is equally true that they are again distributed amongst the people in payment of work, wages, and produce, labour or service, afforded in some shape or other, to the government; that is, that the same amount of taxes is paid by the people in one way, and received back by them in another. But it does not thence follow, that, inasmuch as the people receive the amount which they pay, they therefore, in fact, suffer nothing by taxes; that taxation is thus only an imaginary burthen, and that, in the equal amount of what is levied from them, and paid back to them, the people in truth undergo no sacrifice. All facts and experience prove the absurdity of this conclusion, and upon this simple reason,—because the money is

raised as taxes, and in certain masses from the people, in their collective capacity as a people, and is re-distributed amongst them, as national expenditure, in their several capacity as individuals; and therefore, does not return either to the *same* individuals, or in the *same* amount to each.

In what, therefore, does the fallacy, as to the form of reasoning, of the noble writer consist? Simply in considering the people in the same premises as a collective body, and as an individual. And, because a proposition is true of an individual, namely, that if you give and take from him an equal amount, you leave him in the same original situation; thence inferring the proposition to be equally true of a collective body. The people, as a collective body, is a moral person, and every thing may be predicated of it which belongs to a corporate nature. But the people, as a natural body, is composed of as many members as it consists of individuals; and though a proposition may be true of it in its collective capacity, it by no means follows that the same will be true of it when distributed into its individuals.

Let me briefly exemplify this principle, as it applies to the question of the sinking fund.—Suppose that A. borrows of B. 10,000 pounds, at five per cent., and for the purpose of a gradual redemption of his debt resolves (in addition to the 500*l.* per annum paid to B. for the

interest) to pay a further annual sum of 100*l.* into the hands of C., as his trustee, to be employed as a redeeming or sinking fund.—Suppose, for the purpose of effecting this object, it is stipulated, in an express trust deed between the parties, that, as C. shall receive this 100*l.* annually from A., he shall immediately lend the amount to a banker, or money-scrivener, D., who is willing to give him interest for the same, and that, as D.'s interest shall become due upon these loans, C. shall, in like manner, after having received it, re-lend it, as so much additional principal in D.'s hands, and shall proceed in the same manner with every successive dividend, adding to each dividend the annual 100*l.* received from A. Here it is evident that A. never pays more than 100*l.* per annum to this redeeming fund, whereas the amount of money, which accumulates in C.'s hands (or rather in D.'s for C.'s use) towards the redemption of the debt, will, after an interval of some years very greatly exceed the total amount of what has been received from A.; that is to say, the amount in C.'s hands will consist of two parts, the first, of that part which has been paid by A.; and, secondly, of what has been accumulating in the trading transaction of compound interest between C. and D. Here, therefore, it is perfectly intelligible, that A.'s debt has been reduced to a greater amount than by the sum of the payments which A. has made; that is, that the accu-

mulations have not been made at the expense of the debtor. And yet the noble writer asserts, "that the system (that of compound interest and the sinking fund) is one of self counteraction in all its parts, and that the money which thus redeems the debt is all drawn from the wealth of the debtor; and the mode of redemption shuts out all possibility of his profiting by the transaction. Both these circumstances prove alike, and beyond denial, the utter inefficiency of the whole project."

In the above example, as D. is a party entirely distinct from A., there is no difficulty in perceiving that the accumulations in C.'s hands, effected by successively lending the accruing interest to D., are all so much clear gain to A. That is, it is an effectual increase beyond the amount of his own payments, and an angmentation in no degree proceeding from himself. The only further question will be, whether there is any thing in the character or properties of a people, which can be supposed to vary the operation when performed upon a collective body? It is impossible to see any thing of this kind. If the people, indeed, were an individual, they would represent the condition of A. in the above supposition, and the accumulation, as well as the original interest might be said, according to the noble writer, to proceed altogether from the same source. But as the people are a collective body, there is nothing to

render it a necessary conclusion, that the accumulation is so much *more* money paid by the original debtor in redemption of his own debt. As the people in its collective body are both debtor and creditor, and as, in fact, there is no party throughout the whole transaction but the people, there is necessarily some obscurity in the question from this difficulty of even imagining such distinction. But so far as the mind can abstract the question, there appears no effectual difference in the operation of compound interest as applied to the people in its collective capacity, and to three or more distinct parties of individuals. It is certainly true, that, from the particular relations of the people as debtor and creditor, and from their property of revolving into and intermingling with each other, the total amount actually paid as dividends *accidentally* happens to represent both the simple interest payable on the debt, and the compound interest made by the operation of the sinking fund. But as the compound interest is so much gain, that is, as the nation is debtor as regards the simple interest, and creditor as respects the accumulation, there is still, in effect, if not in form, a substantial gain and increase, and this is as clear, if not as distinct, as in the case of a like process amongst individual parties.

In order to view this more intelligibly, let it be further supposed, that A., at the time he borrows the 10,000*l.* shall have given to B. of whom he

borrowed it one hundred transferrible notes of 100*l.* each, that is, to the amount of the sum borrowed; such notes to bear five per cent. interest, payable quarterly, but their principal not to be demandable. Now when a considerable sum shall have accumulated in C.'s hands, from the annual interest of 100*l.* received from A., and from C. having lent it and its accumulations, during some interval, to D.; let it be supposed, that, instead of continuing to lend it to D., C. shall go into the market and buy up A.'s notes. Is it not manifest, that the result of this transaction will be precisely the same; as if he (C.) should have continued to re-lend the accumulations as before to D. Though what A. shall then pay, as the interest of the notes bought up by C., will as to the efficacy of the sums paid, be compound interest, A. will, in fact, as regards *himself*, only continue to pay the simple interest upon his debt, though under the peculiar nature of the transaction, such simple interest will have the functions and the value of compound interest. In other words, it makes no difference whether the operation be performed upon parties actually distinct, or whether it work through the medium of A.'s debentures only; that is, whether there be an actual distinct party, who may borrow and pay compound interest, or whether the operation is performed by successively buying up the debentures of the debtor, and thus making him *in form*, though not in effect as to

any additional burthen upon *himself*, the instrument of paying the compound interest upon his own debt.

In the case supposed A. continues to pay the interest upon the whole debt, until all his debentures are bought up; as the taxes are continued to pay the annuities purchased by the commissioners. In both cases it may be said that the money, which redeems the debt, is drawn from the wealth of the debtor. And I know no other way in which any debt is ever paid off, except by the bounty of a third party.

Let us again look at the case above supposed, namely, that of A. setting aside 100*l.* annually in the hands of C., that C. may employ it at compound interest to reduce the debt, and let us seek an answer to the question, in what consists the advantage, or utility, or gain of A. Does it not appear, that this advantage or utility is two-fold. First, that A. in this manner pays off his debt by installments. Secondly, that a kind of trading operation, that of compound interest, is performed upon each installment, the effect of which is, that, after a short interval, a much larger portion of his debt is redeemed than is equal in amount to the sums which he has actually paid.

If it be said, as it has been, that if this money raised for a sinking fund were left in the pocket of the public, the public might make the same accumulations; it may be answered, that the

public certainly might so employ it, but would the public do so? Let it be remembered, that though the collective amount of the taxes raised for this purpose amount, say to five millions, the sum contributed half-yearly by the majority of the payers of taxes, is necessarily very inconsiderable, so much so, that in ninety-nine cases out of an hundred, the amount saved would inevitably and insensibly pass into expenditure. Abolish the sinking fund, and every payer of taxes will certainly have his proportion of what is taken off in his pocket; and in not paying any longer to the reduction of the debt, he will have so much more for his expenditure. If he employ this saving in trade or at interest, and shall continue to do the same with every successive accumulation, he will do the same as the commissioners of the sinking fund, and he will therefore gain nothing by the continuance of the fund. But if, instead of employing this amount of saving in trade or at interest, he allows it to be absorbed in his annual expenditure, he so far impairs his situation, that he renders his debt perpetual, instead of gradually reducing it by the double operation of insensible installments, and the successive lucrative employment or such installments.

According to the system of Lord Grenville, there is no just ground of preference between prodigality and economy, and the prodigal is, according to his principles, the wisest man; inas-

much as he enjoys his present means to the full extent, and, though compelled to borrow, never troubles himself by making any provision for the payment of his debt. He goes on borrowing as long as any one will lend him, and as every mortgage and its interest are upon this system perpetual, he may go on till the entire estate is swallowed up. This is Lord Grenville's wise man; one who abstains from adding to his present incumbrances by any provision to redeem them, and thinks it quite enough to pay interest, without any attempt to pay the debt. Is not such a result from his principles a sufficient proof that they cannot be true?

If any thing further were wanting to illustrate this part of the argument, may not the reader be referred to the saving banks.—Here the effects of a steady accumulation may be seen. By means of these excellent institutions capital is monthly and yearly very largely increasing, and every depositor feels the benefit,—although, in his double character of depositor, and one of the people, he at the same time deposits his savings, and in some sense administers to their increase.

CHAPTER II.

Of the obligation of the nation to maintain the sinking fund on the ground of good faith.

THE proposition under this head is, that the government is bound to maintain this fund in good faith to the creditor, as a part of the system under which he was induced to advance his money; and to the maintenance for which he looks, not only for his security, but for his stock maintaining that value in the market which he contemplated at the time of his original advance.

I do not intend to assert that the government is bound in the same extent to every class of the national creditors; but it is very manifest to me, and I think will be equally so to the reader who will follow me through a brief summary of the institution and progress of the different stages of our debt, that the government lies under this obligation to a very large class of the national creditors.

It is unnecessary to state, except for the purpose of order, that the origin of the sinking fund was in 1716, at which time it was called by the name of the "Walpole Sinking Fund," and was com-

posed of an actual surplus of the taxes of those days above the expenditure. An express act of parliament was passed, that this surplus, and its accumulations, should be united under the name of the sinking fund, and be appropriated to the discharge of the national debt. In an account of this fund, by Dr. Hamilton, it appears that it was maintained inviolate till the years 1733, 1734, and 1735, in each of which years a very considerable amount was deducted from it for the current service of the year. In 1717, says Dr. Hamilton, "the produce of this sinking fund was 323,437*l.*" In 1776, the amount of the fund was 3,166,517*l.* But there was no fund carried to the reduction of the debt, but the whole was absorbed by the expenditure of the year; and, in truth, this was the same fund which in 1786 took the name of the consolidated fund.

In the year 1780 the old sinking fund was reduced to 2,403,017*l.* This fund continued, with more or less variation, until 1786. In that year, amidst the loud praises of the public, and with the warm approbation of the noble author of the Essay, Mr. Pitt's fund was established. But before taking leave of the old sinking fund, justice must be done to it. It had reduced about 8,500,000*l.* of the national debt, and, during several years of great pressure, had contributed most materially to the public service.

It is unnecessary to say that Mr. Pitt's fund

was composed of 1,000,000*l.* annually, which was to be allowed to accumulate at compound interest until it should amount to 4,000,000*l.* Upon reaching this point, the 4,000,000*l.* were to be invested in the public funds, and the dividends to be employed in taking off taxes.

Mr. Pitt calculated that, in twenty eight years, his fund would be improved to 4,000,000*l.*, when the nation would experience immediate benefit in the release of taxes by the application of the simple interest.

In 1792, a new, or third sinking fund, was formed, with three such important additions to the constitution of the original fund, as in fact rendered it a new and more efficient capital. First, 400,000*l.* surplus of taxes was added. Secondly, a further annual grant of 200,000*l.* was made. And, thirdly, it was ordained by act of parliament, that every future loan should be accompanied by its own specific sinking fund, of one per cent. upon the amount of such loan, to be raised by taxes imposed for that purpose.

Between 1798 and 1801, Mr. Pitt had charged 56,500,000 stock on the credit of the income tax. Upon the conclusion of the peace of Amiens, the continuance of that tax was the subject of much popular complaint; and it was so defective in its arrangement, as to be harsh, unproductive, and unequal. Mr. Addington was thus compelled to remove this tax, and for the purpose of providing

for the service of the year 1802, and to wind up the expenses of the war, he imposed permanent taxes to meet the charge of 86,500,000*l.* But he omitted to provide a sinking fund upon that amount.

In 1802, however, this fund may be said to have assumed a form, which, as regarded the public creditor, so materially altered its nature, as to justify me in calling it the Fourth sinking fund. Under the acts of 1792, the sinking fund at this period consisted of three distinct parts or funds; 1. That which arose from the original 1,000,000*l.* per annum of 1786. 2. The 200,000*l.* per annum of 1792. 3. The one per cent. specific fund on the capital of every future loan. In 1802, as the actual circumstances of the country could but ill bear the additional one per cent. upon the large loan required for the service of that year, Lord Sidmouth, the minister of that day, brought in an act, by which all the above funds were consolidated and directed to be applied to the redemption of the whole debt without distinction. Had the circumstances of the country permitted the steady application of this fund, it would certainly have redeemed the debt in a much shorter period than the funds of 1786 or 1792.

From 1802 till 1813 there continued to be successive deviations, or, rather, invasions upon this original plan of the sinking fund. They differed in detail and amount, but came in substance

to the same thing; namely, the appropriation to the service of the year, or to a present necessity, of some greater or smaller portion of the fund, so as to diminish the pressure, and proportionately to protract the future efficacy of the fund. In the year 1813, Lord Bexley, at that time Chancellor of the Exchequer, found himself under the necessity of appropriating a large portion of the sinking fund to the current services of the year, and it was thus converted into an auxiliary annual fund during the remaining period of the war. Upon winding up the expences of the war, the same necessity being acknowledged and felt, the sinking fund continued to be so applied until the year 1819, when a new system commenced. Parliament at that time resolved to establish a sinking fund of five millions annually; and three millions of additional taxes were imposed for that purpose.

It is not within the present purpose to enter into the detail either of the reasons or effects of this new formation of the original fund. It will be sufficient to say, generally, that the motive—the imperious motive—was in the absolute necessity for present relief. There was no other mode by which the large demands for the public service, during the latter years of the war, could be supplied. In the actual suffering of the agriculture and commerce of the country, in the transition from war to peace, which followed shortly after-

wards, it was impossible to impose any new taxes to such an amount as was required upon the winding up of our vast expenditure. Such, to speak briefly, is the summary of the history of the sinking fund, from its establishment in 1716 to the present time. Such was its constitution and its progress, and such have been its successive variations.

It is argued by the noble writer of the Essay, that the public creditor has no claim on *any* of these sinking funds, and can have no right, or even equitable expectation, to call upon the government to continue to maintain a sinking fund as a part of the implied engagement to the national creditor. But a very brief examination of the circumstances of the loans which were made at different periods, during the successive formation of these funds, will be sufficient to show, that the author is much in error.

Previous to the establishment of Mr. Pitt's sinking fund in 1786, it must be conceded that the public creditor had certainly no claim upon the sinking fund. The public debt of that period was in part contracted before the sinking fund was thought of, and was in part successively increased, not only without any mention of the sinking fund as a collateral security, but with the express understanding, on all sides, that the sinking fund was a prudential arrangement on the part of the government only, and did not enter

into the contract between the public creditor and the state. The money was lent by the public creditor upon the general faith of the country, and neither the minister nor the contractors themselves at any time introduced the mention of the sinking fund, either as an auxiliary security, or as an instrument for keeping up the price of stocks to a certain standard. In plain words, the sinking fund, up to this period, was a mere politic device on the part of the government for keeping under the amount of the national debt, and was not any specific engagement or contract with the persons who advanced their money.

Neither can it be contended, that the creditors, who advanced their money between the periods of 1786 and 1792, had any claim, in strict right, upon the sinking fund established and accumulating between those periods, nor that they can retain any claim with reference to those loans. They might, indeed, have created this claim, by advancing their money upon the new funds instituted with the special condition of redemption. Looking at the sinking fund, then established, they might have contracted upon it as a collateral security. But they did not do so, but voluntarily dispensed with this advantage. They acquiesced, therefore, in the amalgamation of the whole national debt, both previously to 1786 and in the interval between 1786 and 1792, and therefore abandoned all claim of this nature. Let us sup-

pose that a court of equity had existed, into which this class of creditors might have cited the government, and have demanded the application of the sinking fund between 1786 and 1792 for their redemption? Could they establish any lien on that fund? Certainly none of strict right, and scarcely indeed one of reasonable equity. They could not pretend that any express stipulation had been made with them that this sinking fund should be so applied. As a matter of public convenience, indeed, it was intended so to apply it; but it was a matter of convenience only. There was no obligation of faith, no engagement by contract, express or implied, to make such application. The public creditor might, as above said, have secured himself by a mode of making his advance similar to that adopted in the creation of the three and a half per cents. in 1818; a stock which was raised on the express condition of redemption. But he neglected to do so; and, by his acquiescence in the measures of government, surrendered all claim to any specific lien upon the previous fund.

The case, however, is very different with those who have become public creditors subsequently to the year 1792. By the act of 1792, a sinking fund of one per cent. was created in favour of every subsequent loan, in order that every future loan, according to the parliamentary phrase of that period, might carry in it the seeds of its own

redemption. Under such circumstances, it cannot be denied, that the creditors subsequently to 1792 have, in fact, a claim to the one per cent. sinking fund, created in each particular year; or if they have not a strict legal claim, have at least such an expectation in point of good faith as must bind the public. Indeed, the equitable claim of this class of creditors would have been so strong, that if they had petitioned against any alteration or subversion of the sinking fund, parliament would have found great difficulty in dealing with their application.

Another distinction must also be taken between the British and foreign creditor. As regards the British creditor, he has at least a partial compensation for any interference with the sinking fund by his necessary participation in the reduction of taxes. But it is otherwise with the foreign creditor, the value of whose security is diminished without any countervailing benefit of this nature. At the time of the income tax this distinction was felt and acted upon by the government; the foreigner being in consequence protected.

Is it not, therefore, manifest, that a very large portion of the national creditors possess a reasonable claim to the constitution of a sinking fund, and have a clear and strong equity to call upon the government to maintain it as a part of the national engagement and faith. Will they not have a right to say, that the maintenance of this fund is

necessary, both to the integrity of their security, and to the keeping up of the value of their stock to the standard which was contemplated at the time of the contract? May they not urge, that when they bought their stock, they trusted that, under the operation of the sinking fund, it could never fall below a certain value; and that this was one of the circumstances under which they were mainly induced to advance their money? May they not employ this language—We lent you our money, because you engaged, according to your habits in other transactions, to act like a prudent debtor; that is, to set aside a portion of your income to reduce your debts, and by means of an acute and ingenious trading operation, to diminish them, from time to time, in a much larger amount than would be equal to the sum of your own unaided payments? By departing from this system, you at once dishonour yourself and injure us.

CHAPTER III.

Of the necessity of a sinking fund, from its own independent efficacy; that is, as a system working, by compound interest, to the gradual reduction, or keeping under, of the national debt.

In the previous observations upon the third fallacy of the noble writer of the Essay, in denying, totally, the efficacy of a sinking fund, upon the ground that "the payments of all kinds—the compound interest as well as the annual fund, can only come from the people," the subject of this chapter has been briefly discussed. The greater portion of what has there been said necessarily bears upon this part of the subject, and establishes, affirmatively, the value and efficacy of the sinking fund. Little, therefore, remains to be stated upon this portion of the argument, except to consider, more leisurely, the propositions there advanced, and to confirm their truth by exhibiting them more distinctly to the reader.

The substance of what was said, in the first chapter, was directed to establish the two following propositions, as constituting the value and efficacy of accumulation by compound interest, (or, in other words, of a sinking fund,) as a system of reducing debt.

First. That a fund so set apart, operates to the extinction or reduction of debt, upon the principle of a payment of debt by installments.—Secondly. That the employing such installments to accumulate, in the mode of compound interest, is a kind of trading process, applied successively to each annual installment as a capital; and that the effect produced will be, that, after an interval of some years, the amount of the installments, and of their accumulation, will very greatly exceed the sum of what has been paid by the public for the purpose of reducing or extinguishing the debt.

In this result, it was argued, consisted the value and efficacy of a system of accumulation by compound interest; and in this result, it must be here repeated, consist the value and efficacy of a sinking fund.

There can be no difficulty in understanding, that the sum directed to be paid and set apart every year—say five millions—is, *pro tanto*, an installment set apart for the payment of the debt. It appears equally clear, that the applying of each of these installments, as each is paid, to accumulation in the mode of compound interest, is a kind of trading, that is, a lucrative process, by the effect of which the amount of these installments, that is, of the capital employed, is very greatly increased, and thereby a much larger sum carried

to the reduction of the debt than what had been contributed by the people.

The noble author of the Essay on the Sinking Fund, indeed, contends "That all this is a mere fiction;" because he argues, that all the annuities received by the commissioners, and applied to the purchase of other annuities, arise out of money contributed by the people. But, by the same process of reasoning, it might be proved that the national debt is no debt at all, because it is owing *by* the public *to* the public. But this fallacy of the exchange of equivalents, and the fallacy in the confusion of the term people, have been considered in the first chapter.

To complete this part of the subject, and to establish, as it appears to the writer, the value and efficacy of such a fund beyond all dispute, there remains only to add a third proposition to the above two. This proposition is, that the amount of this annual installment or sinking fund, say five millions, or whatever it may be, is not so much money taken from the productive capital of the country, but from that kind of floating and circulating income which, if not so taken by the government, would pass into current and unproductive expenditure; and, *a majori*, would rarely be employed by individuals in any way similar to the mode in which it is used by government, that is, in the way of accumulation by compound interest.

It appears to the writer, that this proposition is evident almost upon its own face. Suppose the sinking fund to be 5,000,000*l.* per annum, how small a portion of that sum must be the contribution of any individual; and how impossible is it to imagine that such a small sum would in any case be added to the productive capital of the country? Of those who pay to this 5,000,000*l.* fund, how small a portion are concerned in such operations of trade and commerce, as would afford them even the opportunity of adding the amount of this part of their taxes to their trading capital. It is, perhaps, a reasonable calculation, that the proportion of our population who pay direct taxes amounts to about one million. In this one million payers of taxes, how large a proportion of the 5,000,000*l.* sinking fund is paid by the richer classes of the community,—by persons such as land-owners, professional men, and others, totally unconnected with trade and commerce. How small a proportion, therefore, of this fund will remain to be paid by the trading classes of the community. Supposing that the one million payers of direct taxes paid in equal shares to the 5,000,000*l.* sinking fund; the payment of each person would be 5*l.* annually. But let us deduct such a portion of this fund as may reasonably be presumed to be paid by the more opulent persons, and particularly by the landed body, by professions, and persons having incomes

from the funds,—and will it not be a fair inference, that the average payment to this fund by persons engaged in trade does not exceed 2*l.* each annually? Is it necessary to argue that sums of this amount, however large in their aggregate, are too small severally to have any effect whatever upon the trading capital of the country? Is it not evident that such small savings would necessarily pass into current expenditure, and that no one would, in fact, entertain any notion of augmenting his capital by the amount of the forty shillings saved.

Again, if we consider the 5,000,000*l.* of the sinking fund to be raised by indirect taxation, and therein to fall upon commodities consumed by all classes of the community, the repeal of those taxes, from whence it is derived, would afford so small a relief to the several contributors, as to leave little in their hands which could be considered as a fund or capital to accumulate. For example, the total amount of the salt tax upon all classes for 1821 was 1,500,000*l.*; that is, about two shillings per head annually upon each member of our population. The amount of the tax upon candles levied upon the whole community is about 500,000*l.*; that is, about eight-pence annually upon each of our population. The amount of the soap tax is 1,000,000*l.*; or one shilling and four-pence annually per head throughout the commu-

nity. Now, the articles here stated are in general consumption; they are in the class of indirect taxes, and amount altogether to 3,000,000*l.* But, will it be contended, that the repeal of these taxes,* levied almost upon every member of society, would leave such a fund in the hands of each individual, as would materially increase his trading capital?—Would not the relief be purely of another kind,—augmenting, doubtless, the comforts and convenience of the lower classes, but almost necessarily passing into their current and daily expenditure.

Another positive effect of retaining a sinking fund is the maintenance of such a degree of public credit as must operate most beneficially in keeping down the rate of interest, and by such means contributing both to the trading capital of the country, and, in any case of public emergency, enabling the government to make loans at a more advantageous rate.

To give one example only of this effect of the sinking fund. Let it be asked, whether the government, without the aid of this fund, would have been able to accomplish that most important financial operation, the conversion of the five per cents. into four per cents? Again, without the credit of such a fund, could we ever expect to reduce our four per cents. to three and a half or three per cents? A high rate of stocks, the

* The salt tax is repealed.

effect of a sinking fund, puts the government in a condition to treat with the national creditor for a reduction of interest.—But, without such fund, it would be impossible to accomplish any saving in the interest of our debt by a conversion of the higher stock into stock of a lower denomination. In this respect, the value of such a fund in the hands of the commissioners is incalculable.

It is unnecessary to state, that, until a very recent period, one hundred and fifty millions of the national debt bore an interest of five per cent., which interest, under the high state of public credit, and certainly under the effect of the sinking fund, has been converted into four per cent. To what other cause, indeed, but to the operation of the sinking fund, must be attributed such a high state of public credit both abroad and at home, that the price of the funds almost corresponds with the price of land. We have seen the three per cents. as high as ninety-seven and a fraction; that is, an annuity of three per cent. in the funds has reached the extraordinary value of thirty-two years' purchase,—a price certainly exceeding the ordinary rate of land in the market. If it be demanded how the sinking fund has conduced to these effects, the obvious answer is, by keeping up PUBLIC CREDIT.

The actual purchase even of one or two millions a year of stock, which, being in the hands of the commissioners, never returns into the market,

has a considerable effect in clearing it of what is called floating stock, and therein of sustaining and keeping up the market price. For it must be remembered, that a very large proportion of the funds is held in a sort of *mortmain*, or in private trusts, or by individuals, who never, or very rarely, sell.

It is no good objection to urge that a sinking fund ought not in theory to have such an effect, inasmuch as its actual operation upon the immense capital of the national debt amounts to a reduction comparatively so insignificant—The answer is, that it is of little importance what is the theory: the main question is, how it works in practice? Have the existence and operations of the sinking fund such an effect upon PUBLIC OPINION? Do they give such reputation to the government; do they so support its character, that when its debentures go into the market, they bear a higher price than any other security whatever? Nor is there wanting a good reason for this high estimation of the national securities when guaranteed by a fund of this description? In the money market, the credit of any dealer is necessarily measured by his condition of want or abundance. If he possess an excess beyond the amount of all the demands upon him; if he have an available surplus to employ as he may please, he is *pro tanto* in a state of high credit. And such is the condition of a government which possesses an effective

sinking fund. The actual debt of the government, as conceded by the noble writer of the Essay, is the amount of the dividends or annuities; the capital is not demandable, though the government has the option of paying it off. If the government have sufficient means both to pay these dividends, and have a further large surplus, as a sinking fund, the government is then in the condition of an individual who shall not only have enough to pay his debts, but shall possess a large disposable surplus.

The question, therefore, under this head is, whether a fund of such ancient institution, and in one shape or other so inflexibly retained by every minister during the last century, so rooted in public opinion, and transmitted with so much respect from parliament to parliament,

Religione patrum longos servata per annos,

so beneficial in its practical operations, and so little burthensome upon those by whom it is paid, should now be sacrificed to a mere vague theory?—Could it ever seriously enter into the contemplation of any government to give so fatal a blow to public and private credit by sweeping away a fund, which, under circumstances of any unforeseen emergency, might produce a state of insuperable difficulty; a state perhaps, not unlike that which, in the year 1789, led to the irrecoverable ruin of the French monarchy.

In all operations of great peril and uncertainty, the first and main question with all prudent men will be, what is the probable gain? Is the amount of it such, as is equivalent to the value of the risk incurred in disturbing an ancient and complicate system? Now, the risk in this case is the possible ruin of public credit, and the certain disturbance of that mode of dealing with the public creditor, under which the government has been enabled to raise the supplies in the most difficult and perilous emergencies. On the other hand, the possible gain is a most insignificant amount of saving to each individual. Is such an object worth such a risk? For a purpose so inadequate, and at the risk of an evil so incalculably great, is it prudent to abandon a system, on which so many successive ministers have sustained both public and private credit?

CHAPTER IV.

Of the necessity of a surplus fund.

THE proposition under this head is, that it is necessary to retain the sinking fund, to be at hand in the character of a surplus fund; and this chiefly for three reasons and occasions.—First. For a supply in any great and unforeseen emergency.—Secondly. To be ready to assist in maintaining the credit of the national securities in any season of extraordinary deficit of the revenue.—Thirdly. To put our own public securities upon a par with those of foreign countries, which have adopted the system of a sinking and surplus fund after the manner of Great Britain.

It has been already remarked, that the sinking fund has passed through four stages in arriving at its present form and constitution.—First. Its original form in 1716.—Second. In its extension and more specific appropriation in the years 1786 and 1792.—Third. In the diversion of the greater part of the produce to the current annual service from 1813 to 1819.—Fourth. In the new shape it assumed in 1819, when, there being

a surplus of revenue of two millions, the House of Commons came to the following resolution, founded on the report of the finance committee of that year:—

"That, to provide for the exigencies of the public service, to make such progressive reduction of the national debt as may adequately support public credit, and to afford to the country a prospect of future relief from a part of its present burdens, it is absolutely necessary that there should be a clear surplus of the income of the country, beyond its expenditure, of not less than 5,000,000*l.*; and that, with a view to the attainment of this important object, it is expedient now to increase the income of the country, by the imposition of taxes to the amount of 3,000,000 per annum."

The resolution so proposed was adopted with singular unanimity: and it is certain that, by the effect of a most zealous retrenchment, and by the progressive improvement of the national revenue, ministers would have speedily attained a surplus of 5,000,000*l.*, had not a peculiar degree of pressure occurred in the years immediately following, joined to a loud popular call for reduced taxation.

It had been properly considered that, if Mr. Pitt, in the year 1786, regarded a sinking fund of 1,000,000 to be adequate to the redemption of a debt of 240,000,000*l.*, a sinking fund of 5,000,000*l.* would operate with nearly a two-fold force upon a debt of 800,000,000*l.*

In the speeches and observations by which the ministers induced the Parliament to adopt this resolution, it was confidently and justly asserted, that the system of loans and new taxes had reached its termination. That it was now necessary that we should live upon our income, and should enter upon the course of redeeming yearly some part of a mortgage which pressed heavily upon the industry of the people. Under any other system, it was said, we must shake the columns of our public faith; and, what is equally worthy of consideration, must anticipate in peace the resources of war; we should have to enter into any new war under a most extreme difficulty; or, like France under the administration of Fleury, should lose our due consideration in Europe by seeking peace at more than its value. On the contrary, by the application of the old sinking fund to the expences of the country, but still leaving a surplus of 5,000,000*l.* above our expenditure, we should secure a great present relief, and leave untouched the means of future defence.

It should not, however, be forgotten, that at the time Parliament came to the resolution to establish this sinking fund, amounting to one per cent. on the whole capital of the debt, no inflexible rule was laid down as to the application of its gradual accumulations. It was resolved, that a surplus of 5,000,000*l.* should be created; but

whether the accumulations of that surplus should go to the increase of the sinking fund, or to the reduction of taxation, was left as a question open to the wisdom of Parliament to determine, according to circumstances. In speaking upon the character, object, and strict public duty of maintaining this fund in 1822, Lord Liverpool observes, "It appears to me not to be advisable to lay down any absolute rule by anticipation, which, on the one hand may prevent Parliament from appropriating that accumulation to the sinking fund until the fund has reached a certain point; or, on the other hand, may preclude Parliament from applying it to the relief of any incidental pressure on the country. But, my Lords, I must place by the side of these admissions the assertion of another principle, which I deem so indispensable, that upon it I am determined to stand or fall,—the steady maintenance of an efficient sinking fund."

It is needless to advert to the circumstances which prevented this surplus fund, so voted by the House of Commons, from attaining its fixed amount at an earlier period. The re-payment to the Bank, of 10,000,000*l.*, upon the resumption of cash payments—the repeal of the agricultural horse tax—a portion of the malt tax—the whole of the salt tax—a moiety of the house and window duty, and a variety of smaller imports; all these concurred, together with the loud clamour of

the public for present relief, to retard the natural growth of this fund. The fund, however, never ceased to exist; the 3,000,000*l.* taxes imposed for its maintenance were even more productive than had been anticipated. The surplus, upon which this fund had been originally constructed continued, at least till 1825, yearly to augment; but the public voice, in the midst of this growing prosperity, called more loudly for a diminished taxation.

If we look to the receipts of some of the years after the establishment and operation of this fund, we shall find that in 1823 there was a surplus of 6,700,000*l.*—in 1824 the surplus was 6,600,000*l.*—in 1825, 5,600,000*l.*—in 1826, 1,000,000*l.*—in 1827, 1,100,000*l.* But in each of the last two years an examination of the public accounts will show that the public expenditure, from various causes, had been increased nearly 2,000,000*l.* beyond the average of the former years.

That the above surplus of revenue was in part produced by the bargain with the Bank for the payment of what has been called the dead-weight, or charge for military and naval half-pay, &c. there can be no doubt. This, in some sense, may be said to have been borrowed money; and, therefore, it might be contended, that Government should be debited with the difference between what was advanced by the Bank and what was charged

on the consolidated fund in aid of this contract. The account would then stand thus:—

The payments by trustees of half-pay, &c. under 3 Geo. 4, cap. 51.

1823 ..	4,685,000 ..	2,800,000 ..	1,885,000
1824 ..	4,660,000 ..	2,800,000 ..	1,860,000
1825 ..	4,507,000 ..	2,800,000 ..	1,707,000
1826 ..	4,380,000 ..	2,800,000 ..	1,580,000
1827 ..	4,200,000 ..	2,800,000 ..	1,400,000

But if this charge be brought forward against the sinking fund to show its diminished operation, credit must be taken, on the other hand, for the taxes which have been repealed during the above period. It would be unreasonable to expect that relief should be obtained in both ways; first, by the operation of a sinking fund, and next, by reduced taxation. The public could not, at the same time, enjoy all the contingent benefits of accumulation from a sinking fund, and the application of its surplus to the repeal of taxes. But, in 1823, taxes were repealed to the amount of 3,200,000*l.*—in 1824, to the extent of 1,727,000*l.*—in 1825, the taxes repealed were 3,146,000*l.*

In alluding to the construction of this new fund, the author of the Essay contends, that this latter scheme shared the fate of those which preceded it; that it has been a new device more specious than practical, and, instead of extinguishing debt, has

been the cause of new incumbrances and fresh expedients in borrowing.

I trust that it has been sufficiently shown that it is an error, in fact, thus to represent this fund. In itself it would have been perfectly efficient, but it was impossible to extinguish debt when this capital was denied its own sources of accumulation; when its edge was taken off, and its point blunted, by an incessant clamour for present relief. Every minister and public man of any weight in the House of Commons joined in the necessity of upholding it. Almost the last word of the Marquis of Londonderry commended it to the protection of Parliament; and Lord Liverpool declared it to be a system under which he was resolved, as a minister, to stand or fall. Even Mr. Canning, in the very last year, looked forward to its maintenance as a national object of the first importance, and conjured the House of Commons to be firm and resolute in establishing this standard of our public credit—to be regarded no less as a resource in unforeseen emergencies, than as a sure instrument of public strength and prosperity.

It is not difficult to understand the anxiety of our ministers to maintain this fund, and to give all practicable scope to its operations. Without a surplus of some kind, the price of stocks would not only be at the mercy of all the artifices of speculation, but might be most mischievously reduced by the effect of public panic, or by

sudden occurrences of real or apparent magnitude at home or abroad. It would be in vain to expect, upon favourable terms, any extensive accommodation in a future war. The credit of government would be shaken. No one would willingly lend to a debtor, whom he believes to possess only just sufficient to satisfy the required obligation, and whom any sudden event might disqualify from the ability to fulfil his contract. The known possession of a surplus is a kind of collateral security for the debt. There can be no peril, whilst the surplus is visible and accessible; but, withdraw the surplus and substitute a bare sufficiency, and the next step is, not to use a more ominous word, embarrassment and distress.—Whilst there is a sinking fund, the public books of the country are, as it were, always open to exhibit the public ability, beyond all doubt and suspicion. Nor would a bare surplus of small amount be sufficient to uphold the public credit. Unless the surplus be considerable in good years, there might be an actual deficiency in unfavourable seasons. Upon a review of the public accounts for a series of years, it will appear that the revenue, from this cause, has fluctuated so far as ten per cent. In 1817, the decline from the former years actually reached this lowest point; in proportion, therefore, to this interval of fluctuation does it become the duty of government to provide a surplus. Remove this surplus, and

every adverse political event would be felt at the Stock Exchange, and prices would fall, and fall through a long interval of descent, upon every rumour. But can the interest of any class of society be so opposed to the obvious benefit of all, as to induce them to expect any private gain in this general and common distrust, and in this, consequent, public discredit? Is it necessary to observe, that all titles in the eye of the law are the same, and that a disturbance in the security of funded property would not stop with the funds? Is it necessary to suggest, that a great and rich country, like the British empire, cannot safely disarm itself, as it most effectually would do, by tampering with its public credit? Can it be necessary to add what an immense property is at stake, and how much misery, and most afflicting misery—and through how many classes, and through how many individuals in each class,—would follow any convulsion, and even any incipient insecurity, in such a vast interest as the 800,000,000*l.* of our public debt?

If such be the necessity of a surplus fund, for the two obvious purposes of affording a supply to the public service in any great and unforeseen emergency, and to be ready to maintain the credit of the national securities in any season of extraordinary deficit of the revenue,—still more necessary does it become to retain this surplus, in order to put our own public securities upon a par

with those of foreign countries, who have adopted, and are now acting upon, the system of a sinking fund.

It is not, perhaps, generally known, that the American government very early followed the example of Great Britain, and is at this time in possession of a sinking fund acting most efficiently on the public debt. The American sinking fund bears such a proportion to the amount of the public debt, as will extinguish the whole capital within twenty years. Now it should be remembered, that the monied market of the world is in every respect an open market, and that English and foreign securities must *there* meet upon the grounds of their respective merits. But, can it be expected, that English and American stock, encountering each other upon such unequal grounds,—the American stock being accompanied with an efficient sinking fund, whilst the English debentures have to incur the peril of a possible deficit of revenue to pay the dividends of the year, would be commercially regarded in equal estimation? Again, France is a country to which every consideration of prudence and policy binds us to extend our more particular attention. The French government, following our example, have not overlooked this great auxiliary of public credit, but have established a sinking fund, which, according to the amount of the public debt and the resources of the country, is nearly

as effective as that of the government of the United States.*

Abolish our own fund, and how can we maintain an equal competition with a rival so advantageously situated? Prostrate this column of our public faith, and with what countenance should we exhibit ourselves upon the general exchange of the world;—*we*, whose confidence, pushed perhaps to the extreme of arrogance, has too often induced us to speak with derision of the feeble and capricious resources of other countries. Public credit is public character. But what would be our character among the nations of Europe, if we should be the first to abandon a system which we were the first to adopt?

Under the present circumstances of the country, our national reputation is as great abroad as our character and credit are at home. It is a truism to assert, that every thing in the shape of a British public security bears almost the same price abroad as in the hall of the Bank of England. There is no deduction whatever from the current denomination upon the score of its being a foreign debenture. Without intending any invidious observation, it may be allowed us to state, that the same thing cannot be affirmed of any other foreign security in the British market. But will these obligations of the state continue to retain the like high degree of general estimation, should we

* This operation was interrupted, last year, by the expences of the Spanish armament.

abolish our sinking fund, and thus, by implication at least, comfess our impaired resources and impoverished condition? Would such an act be otherwise felt and acknowledged, than as a composition with our necessities, and the acknowledgment of a declining credit? A nation, like a merchant, owes the degree of its credit to its actual estimation in the minds of its neighbours. It is nothing to assert that such conclusions are unreasonable and false, as the money which should be saved from the sinking fund would remain in the pockets of the people, and that, therefore, as a nation, we should be no poorer by abolishing the fund. This argument does not meet the point, and those who put it know how foreign it is from the purpose. The question in all cases of credit and character is, not what the people ought to think, but what they *would* think—and it is evident, that the abolition of the surplus fund would produce this unfavourable impression both at home and abroad.

THE following brief review of the system of the noble author of the Essay may perhaps lead to some useful practical results. That a nation during war should proceed interminably to increase its debt, without making an effort to reduce it in time of peace, would be to do violence to the plainest dictates of prudence and justice. It is

clear that debt cannot be reduced, without either a diminished expenditure or by an increased revenue. The question is, what course shall be pursued? It does not fall within the scope of these observations to touch upon the subject of retrenchment; and, with respect to the latter point, it is not easy to understand what would be the practical advice of the author of the Essay. He has not here afforded us any help from his sagacity or experience; but his reasoning would seem to lead to the removal of every tax not immediately necessary for the current service of the year.

In discussing the practical means of raising money, and reducing public debt, Mr. Ricardo, in his able article on the sinking fund,* observes, That there are three modes by which a war expenditure may be provided, supposing that expenditure to be 20,000,000 annually: first, war taxes may be raised to the amount of 20,000,000 per annum, from which the country would be totally freed on the return of peace: Secondly, the money might be annually borrowed and funded; in which case there would be a perpetually growing charge of taxes, and no relief, either from debt or interest, during peace, or in any future war.—Indeed, at the end of twenty years, if the war lasted so long, the country would be perpetually encum-

* See Sinking Fund, Enc. Britt. Supp. vol. iv. p. 421.

bered with taxes to the amount of 20,000,000 per annum, and would have to repeat the same course in the event of any new war. The third mode of providing for the expences of the war would be, to borrow annually the 20,000,000 as before, but to provide, by taxes, a fund in addition to the interest, which, accumulating in the way of compound interest, would finally be equal to the debt. In the case supposed, if money were raised at five per cent., and a sum of 200,000*l.* per annum in addition to the 1,000,000 for interest were provided, it would accumulate to 20,000,000 in forty-five years; and, by consenting to raise 1,200,000*l.* per annum by taxes, for every loan of 20,000,000, each loan would be paid off in forty-five years from the time of its creation,—so, that in forty-five years from the termination of the war, if no new debt were created, the whole would be redeemed, and the whole of the taxes would be repealed.

Of these three modes, in a state of war expenditure, Mr. Ricardo gives the preference to the first.

The principles of Mr. Ricardo, by which he proposes to meet a war expenditure, are applicable to the payment of a debt already incurred—

A debt can only be encountered in three modes:—

1. By paying the principal at once:

2. By paying it by installments:

3. By paying interest without any provision for the principal.

It is obvious that the first mode would be the least expensive.—But the attempt to extinguish a debt of 800,000,000*l.* by one national effort of redemption is too absurd a project to bear investigation.

If the first mode be impracticable, the third would be dangerous and impolitic—What the effect of this system would be has been already explained. The public finances would neither remain in a safe situation, nor would the public creditor retain that advantageous condition to which he is entitled. The price of stocks would be at the mercy of speculators, and liable to be dangerously reduced by any sudden panic, or by occurrences of any real or imagined peril at home or abroad.

So many causes of future war are inherent in the very greatness of our empire and in its commerce, that it is, perhaps, as necessary to provide against national convulsions of this kind as to expect a long continuance of peace. In any future war the redemption of debt would be rendered nearly impracticable, unless some ground work be laid in peace.

In considering the mode of paying our debt by installments, it would be well to keep in view this maxim,—that the larger the installments, the less

less will be eventually paid by the public. On the other hand, it must not be forgotten, that the smaller the installments, the lighter will be the present pressure on the people. There are two obvious modes by which a debt may be discharged by installments. The first, by appropriating a certain sum annually for the payment of interest and a portion of the principal; the second, by appropriating a certain sum to the payment of part of the principal, and throwing the interest into the general expenditure of the country.

By the first mode, there would be no immediate relief until the debt was paid. By the second, taxes would be released to the extent of the interest of that portion of the capital which was annually discharged. When the question is agitated upon a surplus revenue in a period of peace, and its application to the redemption of debt, there can be no doubt but that the former of these modes is most economical and convenient.

In establishing his sinking fund of 1,000,000, in 1786, Mr. Pitt observed, that this fund, annually improved, would amount, in twenty-eight years, to 4,000,000; and it is easy to imagine in what proportion a sinking fund of 5,000,000 would advance by the same method of application. Perhaps this part of the argument cannot be better illustrated than by putting the following case, as it will strongly mark the distinction between the different methods in which national debts are incurred and

discharged. It will show, also, the relative value of the proposed modes of redemption.

Suppose a man to borrow 100*l.* at three per cent., and to make no other provision than for the payment of the interest. This is the second hypothesis of Mr. Ricardo. The loan would remain a perpetual charge upon him and his posterity, and in one hundred years he would have paid three times the amount of the principal in the shape of interest. But suppose him, in addition to the interest of three per cent., to establish a sinking fund of one per cent., the result would be, that, in forty-seven years, he will only pay 188*l.*, and the debt and interest would be extinguished for ever. Lastly, suppose him, in addition to the interest, to pay off one per cent. yearly, which would be the application of a surplus fund not working in the way of compound interest, but applied, by annual installments, to reduce debt and diminish the charge of interest; in this latter case he would be one hundred years in paying the debt, and the cost would be 250*l.* 10*s.* Thus, in the second mode, he would have no relief till forty-seven years had expired, and he would then be liberated altogether; whilst, by the third mode, his relief would be gradual, but the ultimate cost would be greatly increased, and the period protracted for a century.

The third mode has been touched upon and explained in the second. It has this advantage,

that, though it does not operate with the decision and rapidity of the second, it affords the opportunity of reducing taxation, and is always at hand, both as a surplus to meet a great and unexpected deficit of revenue, or for any national unforeseen emergency.

Such are the only methods which can be suggested in the present state of our public engagements. Whatever be the choice, the necessity of a surplus is beyond all question. A fund of 5,000,000 may either be suffered to accumulate in the hands of the commissioners, until the object for which it is set apart shall be finally accomplished, or its accumulations, when the fund shall have reached a certain amount, may be applied to the relief of any incidental pressure on the country. This must always be open to the wisdom of parliament to determine; but in one shape or another, either as a sinking fund, or as a surplus, every duty of policy and justice requires us to preserve that excess of revenue beyond the expenditure of the country, which ministers have at length obtained.

The only remaining consideration, then, will be, the amount of the installments by which it is proposed to pay the debt, or, in other words, the sum to be appropriated as a sinking fund. The payment of the capital of our debt by large installments in the present state of the country would be obviously impracticable.

Such a system has indeed been recommended by some very able writers; but without an adequate consideration of the ability of the classes who are to be taxed, and without any reference to the present circumstances of the country. Such a system could not be supported by any thing like ordinary taxation. It would demand a tax upon capital and not upon income. It would no less distress the fundholder who has to receive payment, than the people who have to make it. If the necessary sum should be raised by direct taxes, the amount would fall with a ruinous weight upon all the householders of the kingdom, and all visible or tangible property would be crushed under the burthen—If by indirect taxation, it would derange the industry of the country, disturb the prices of commodities, and press to such an extent upon all the products of art, manufacture, and trade, as to interrupt the channels of our commerce in every quarter of the globe. The taxes to be raised for such a purpose, falling on articles of necessity or daily use, on the customs, the excise, houses, windows, luxuries, &c., would in some instances extinguish the very source of revenue by driving an article of profitable taxation into disuse; and, in others, would so immediately pass into the price of labour and wages, as to render the employment of capital, except for purposes of home consumption, utterly desperate. In addition to this necessary effect upon our fo-

reign trade, all persons belonging to professions, or with fixed incomes, would suffer with unequal severity; whilst the individual who would most complain, and be most oppressed, would be the public creditor himself.

It would seem a paradox to assert, but it is certain, that such a plan would be a grievous injustice to the stockholder. It would have the effect of throwing his capital upon him at a season of an overloaded market, and would be drawing back from him, by heavy taxes, a large portion of what was paid to him,—and at the time he was denied the means of all profitable investment. Looking at the continent of Europe, and the active rivalry which is there going on against us, together with that facility of communication which renders the whole world one market; adverting also to those principles of free trade which we have proclaimed as our commercial code, and which can only produce their expected results by bringing the manufactures of this country to the level of those of other nations; adverting to all these points, a reasonable judgment must be satisfied, that no public plan of relief can be recommended, which would so violently derange prices, so generally disturb the course of industry, and so directly impede the commerce of the country in *all* foreign markets.

The absurdity, indeed, of this plan is self evident on the statement. It supposes the people

willing, for the purpose of getting rid of a portion of indirect taxes, of which they hardly feel the pressure; willing to encounter the weight of direct taxes, much heavier than the greatest exigencies of the war ever imposed on them, and which, in many instances, would amount to a confiscation of property.

This proposal, therefore, though it has the recommendation of high names and authority, cannot for a moment sustain the test.

As respects the mode of paying our debt, by moderate installments, it has its advantages and evils of opposite character—At the same time that it relieves the public from the necessity of heavy taxation, it protracts the period of final release, and the system is exposed to no small hazard in the variety of administration through which it must necessarily pass. There is always a fear of the unsteady application of a sinking fund. At one moment the capital itself is in danger, at another its accumulations. The economy of one parliament may only hoard that another may scatter in lavish profusion. It is difficult to fortify such a fund from alienation, or to provide a barrier which shall not be assailable by the minister of the day. The existence and unvaried application of such a fund, in which its virtue must be allowed to exist, is always open to attack; and the accumulations of the nation, like the miser's treasure, may be seized upon by a neces-

sitous and prodigal heir. But, whilst the freehold is our own, we must not suffer it to dilapidate, because our heirs or successors may be thoughtless and imprudent. The maxims of frugality are always true, however they may be abused, and the advantages of a fund constructed on a clear surplus of income, and operating by compound interest, cannot be doubted. What amounts to a long period in the life of an individual is but an hour in the existence of a nation.

THE END.

C. Baldwin, Printer,
New Bridge-Street, London.

A LETTER

TO HIS GRACE THE

DUKE OF WELLINGTON,

CONTAINING

PRACTICAL SUGGESTIONS,

FOUNDED ON SIMPLE PRINCIPLES,

FOR THE REGULATING OF THE CURRENCY;

THE RELIEVING OF THE COUNTRY FROM PAUPERISM AND A REDUNDANT POPULATION;

AND FOR

THE PREVENTING, DETECTING, AND CORRECTING OF CRIME.

BY AN ENGLISHMAN.

Take double money in your hand, *(Gen.)* for wisdom and money is a defence.—*Eccles.*

Cast them into another land.—*Deut.*

He openeth also their ears to discipline.—*Job.*

In all labour there is profit, but the talk of the lips tendeth only to penury.—*Proverbs.*

London:

PRINTED FOR J. RIDGWAY, PICCADILLY.

1828.

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MARCHANT, PRINTER, INGRAM-COURT, FENCHURCH-STREET.

A LETTER,

&c. &c.

London, April 14th, 1828.

My Lord Duke,

In addressing a man, who has spent a life in arms, camps, and cabinets; a man, who, instead of retiring from active public duty to enjoy, in luxurious refinement, the means of gratification which he has won by brilliant deeds, devotes himself to a time-consuming duty, the most difficult to perform, the most hazardous to his fame, the most dangerous to his peace of mind that can be conceived; my rule, in executing the task I undertake, shall be to state nothing but what is, as far as I know, in great measure novel—of the deepest concern to the British people—and of the highest importance to your Grace, as Prime Minister, to know and consider: and this I purpose to do with all possible brevity.

In utter disregard, therefore, of all literary effect, in contempt (on this occasion) of all literary criticism, if I could succeed in placing the facts and suggestions before your Lordship's mind, in the form of an elaborated index, I would adopt that method. And, as a full index of a good treatise should merely point to facts and evidences of truth, so I beg to assure your

Grace, that, brief as my method may be, and bald of illustration as my little book may be found, it contains no proposition on which I have not maturely thought, and recommends no measure that I do not feel able to convince all unprejudiced men to be wise and expedient. And permit me to add, that it is written by a person, who has before published his thoughts on subjects connected with the matter of this pamphlet, and not without effect. A gentleman of great knowledge and experience, who has been twice a Minister of the Crown, honoured one of the writer's pamphlets, by taking from it all the material facts and reasoning, and embodying these in a speech which he delivered in the House of Commons, having first adopted them as the just view of the matter under discussion. With this preface, in regard to the rules I have laid down for myself in writing, and my ground for asking for attention, I proceed to commence my undertaking.

The three subjects which most perplex the statesmen of this age, are,

1st. The state of the currency;—being such as to render it impracticable for men of property to bear the existing burden of taxation, and at the same time so to appropriate capital to its wonted and customary uses as to give adequate employment to the labourers.

2d. The state of the population;—being such as to render it impossible, under the existing laws, for the unemployed poor to obtain a sufficiency of food and raiment.

3d. The state of crime;—being such as to render all thinking men appalled at its magnitude and rapid increase.

All of these may be brought under control and regulated, by wisdom, energy, and perseverance.

The grand error respecting our money affairs, is forcing up the standard violently. If we had kept up, for ten years succeeding the commencement of peace, an abundant and depreciated currency, like that which enabled us to bear the expenses of the war, and had continued with it a high rate of taxation, the people could have borne their burdens with infinitely less difficulty and misery, and the Government would have been enabled by this time, with the war-rate of taxation, to pay off one quarter of the national debt. If this had been done, the bracing system in our currency and commerce might then have been cautiously introduced with great effect, and without deep and lasting injury to the public. Power for any future military enterprises and to uphold the national honour, must have been the real object of the Bullion Ministers, in their currency measures, though they have never avowed it; the power which the executive might acquire, by relaxing the laws that impose a currency of high value with an extended taxation, would be very convenient in the early stages of a war. But the attempt to acquire such power nine years ago, when but little new capital had been accumulated after the war, and before property had become duly appropriated, and sufficiently connected with the operations of productive industry, was unwise and will ultimately prove abortive.

Though the state of the currency is a subject of momentous interest, yet, after all that has been written and spoken upon it, it would be vain to expect that

your Grace could be able, in the present state of public business, to read a new treatise on the circulating medium.

I shall assume, therefore, that the most rigid bullionists are by this time convinced, that, if they had now to propose laws to regulate the currency, it would neither be just nor prudent to curb us up quite so severely as we are curbed by the law of 1819. Mr. Peel's Bill, confirmed by the law of 1826, has disturbed the application of capital to the purposes of production, according to the modes that habits and existing obligations render necessary. Therefore the currency laws now in force do, and with the present amount of taxation will, ultimately, in a greater degree, interfere with the re-creation of wealth. Resting on that assumption, I assert, that no regulations of a more restrictive character than those which are contained in the following suggestions, will enable the country to perform its fiscal engagements, without producing the deepest misery, and, in the end, national degradation.

1. Repeal the small-note bill of 1826, and let the country bankers circulate notes of the value of thirty shillings, as the Bank of Ireland does. It will be easy to exact security for this description of circulating medium, by an effectual mode, which will be satisfactory to all bankers; and, by keeping the amount of the denomination of such notes above that of all the King's coins now in use, the coin of the realm will be protected from the alleged contamination of circulating with any currency of the same denomination.

2. Reduce the Stamp duties upon bills of exchange

of the smaller value, at not exceeding two or three months date; and increase the duty upon bills of exchange, drawn at a date exceeding three months. By this, the receipt from the Stamp duties will be increased.

3. Make silver the standard; or it is not very material, if the standard be of both silver and gold. But there must be a re-coinage of the gold, and perhaps also of the silver; and eighteen-twentieths only of the gold, of the same fineness as that of which the sovereign is now composed, should be coined into a sovereign. The standard would then, I believe, be as high as it was previously to the year 1797.

The vast increase of luxury amongst people in all old countries and their colonial offspring, and the greatly extended civilization amongst barbarous nations, having augmented the demand for all articles for use or ornament, made partly of the precious metals;—the amazing addition made by late discoveries and inventions, to the variety and quantity of commodities exchangeable for gold, commodities which are discernible through all our senses wherever we move; —the state of debtor and creditor, and the general substitution of paper currency for gold;—are circumstances which have made a return to the ancient gold standard a severe, unjust, and impracticable policy. This standard was restored by law, without any reference to these altered circumstances,—to the state of supply of gold from the mines,—to the interests of debtor and creditor,—or to the oppression which such a change would visit upon a people, having to pay

the interest of a debt of 7 or 800,000,000*l.* contracted chiefly in depreciated paper money.

4. Let the Bank of England be induced to withdraw its Branch Banks; and enact a law, to make Bank of England notes, for any sum above the value of five pounds, pass as a legal tender from all licensed bankers, carrying on business at a distance from London exceeding ten miles.

I am well aware, that the scheme which I now recommend for the regulation of the currency, will subject us to recurring periods of depreciation,* when the exchanges will become unfavourable, and the Bank Directors will become embarrassed and incur great loss. This important matter must not be left in its present state. It is manifestly unwise and dangerous, to leave it in the power of capitalists, of different countries, to abstract, when circumstances favour their designs, a considerable portion of the current coin, by drawing bills and mortgaging bullion; merely that they may profit by the hocus pocus, and without any object connected with a legitimate commerce in commodities. Is it to be any longer borne, that all the operations of industry should be thrown into disorder, whenever a magician, with the name and reputation of a merchant, chooses to take the gold of England to the Continent, and keep it there, till he has reduced the Directors, who are his immediate victims, to a condition of alarm for their existence,

* To such we are *now* liable.

like a mouse under an air-pump, in the process of exhaustion; when, moved by the purest feelings of benevolence, at the ghastly looks and quivering lips of his devoted victims, he restores vitality, by pouring back again that by which "they live, and move, and have their being?" To render the state of the currency so far steady, as to prevent such fluctuations as disturb capital advantageously appropriated for re-production, and disorder the operations of industry, I recommend that Government shall keep at all times twelve millions of Exchequer notes, of twenty pounds, ten pounds, five pounds, and fifty shillings value, purporting to be payable on demand, but actually only exchangeable for similar new ones, so long as the amount issued be kept under the limit of twelve millions. These notes to be issued only on emergency, and then issued by virtue of an Order in Council, which should have the force of making them legal tenders in all transactions between men throughout the British dominions, for six or twelve months, from the date of the Order in Council.

By this means, and this alone, I think, can cash payments be persevered in, and our taxes be maintained at their present amount; without spreading ruin amongst our men of capital, palsying the operations of industry in almost all departments of production, and extending degradation, misery, and crime throughout the land. The Bank and the Government will then be conjointly the regulators of our currency, and not, as now, the Bank and Mr. Rothschild. Cash payments will go on quietly and uninterruptedly for five or six years in succession, when there will be a

difficulty, which the Exchequer notes of the Government must enable us to surmount.

I admit that this is a plan to depreciate the currency from its *present* standard of value. There is no other practicable mode, if the existing amount of interest on the debt continue to be paid, but what leads directly, though slowly, to revolutionary changes in society, and national degradation. Depreciated however though it may be, never under this system, vigilantly and wisely executed, will the depreciation be so great, by 25 per cent., as it was about the year 1813.

I partake not in the alarm which some men feel, as to the effect which might be produced on our foreign trade, if this recommendation were carried into execution. All the inconvenience of any great moment, which can flow from it, must relate to existing debts and engagements, and stocks in hand. It will have no permanent bad effect upon our foreign trade. Whatever the standard of money be in different states, it is used between merchants in different countries as a mere numerator. If the merchant of Hamburgh give the spinner of Manchester 10 per cent. more for his cotton twist, it does not follow that he must charge the weaver of Silesia that 10 per cent. additional; because he can pay for the twist in Saxony wool, which will be sold to the Leeds clothier at 10 per cent. additional; and this, without any perceptible prejudice to the clothier's foreign trade: for 10 per cent. upon the raw material would not be more than three per cent. upon the wrought fabric in a marketable state. They who think we should import

from New Orleans a bale of cotton the less, because broad cloth had advanced three per cent. in England, know little of the range on the scale of prices, which the productions of British labour are constantly taking, in all the markets of the world.

All men of all parties, bullionists, and anti-bullionists, now admit the injustice of Mr. Peel's bill of 1819. Then what obstacle prevents the partial restitution of our rights which is now suggested? The consistency of two of your Lordship's distinguished colleagues. Let these Right Honourable Gentlemen look at the present conduct of one of their most celebrated predecessors,* see how candour has increased his reputation, and then ask themselves, whether, after such an example, they can anticipate damage to their fame by an acknowledgment of error.

Emigration.—The foregoing hints, respecting the currency, are made on the supposition, that there is at this day but little that is necessary to be discussed on that question. It seems to have occupied about forty years, for one of the most powerful minds in the world, entirely to disengage itself from cherished prejudices, respecting the Sinking Fund. And there may, unquestionably, exist other great minds, still mystified by false doctrines, or hoodwinked by prejudice, respecting the money question. There remains, undoubtedly, much to be considered and done in relation to the best mode of regulating the currency, in order to extricate the public from the difficulties in

* Lord Grenville.

which they are involved, by the recently introduced customs, and the existing laws. But, in regard to its principles and general bearings, the question has been sufficiently discussed.

The subject of emigration is not, however, precisely in the same state. It has undergone less investigation and discussion. Consequently, it seems not wholly unnecessary to take a glance at one or two of the principal prevailing fallacies, connected with the state of the population and emigration, which have been supported by high authority: but, as the purpose of this publication is to suggest expedients for the approbation of men in power, and not to discuss any of the parts of this extensive subject, it must be no more than a momentary survey.

The writer of these pages has had no sufficient opportunity of surveying the state of those parts of Ireland most afflicted with misery, or of inquiring respecting the state of landed property amongst parties concerned in the question, to enable him to pronounce a decided opinion, on the practicability of producing any material good effect on the deplorable condition of the destitute population of Ireland, by the cultivation of the waste lands of that country. Whether it be true, that there are there millions of acres of land, which, if drained and cultivated, would become sufficiently productive, is to him an interesting problem for investigation. There can be no doubt, that, if there be such land in great abundance, lying in such a state, and so circumstanced in regard to tenure, as to render it a proper object for the application of capital, the whole question might, for a time, be set at

rest. Whoever knows any thing of the difficulty encountered in draining the marsh-lands, on the eastern side of our own island, and is aware of the unproductive state in which vast tracts of it remained till the last century; and reflects, at the same time, on the immense supplies thence derived, at this day, for feeding the people in the populous districts of the north; must be stimulated to encourage the draining and cultivating of the bogs of Ireland. There is, no doubt, a great difference between the quality of the soil of an Irish bog and that of an English marsh, but the fertility of a drained and cultivated bog would far surpass that of the cultivated land of France—acre for acre.

Some eminent economists are of opinion, that, if the bogs of Ireland would pay for cultivation, the owners of those bogs would readily find capital for bringing them into a state of productiveness. This opinion appears to me to be formed, without considering the unprecedented state of difficulty into which all borrowers and lenders of money are thrown, by the operation of the short-sighted, ill-considered, partial, and improvident currency measures. Except in great commercial cities, and in manufacturing districts, (and there are obvious reasons for this exception,) such are the obstacles to borrowing money, that the holders of the surplus capital would be no more likely to entertain the question of lending money, in the way these gentlemen suppose, than they would be likely to engage to keep the notes of a bank for six months—which they knew would be stopped by insolvency at the end of five months.

When they hazard this opinion, are they sufficiently aware that the abundance of money is such in London, that the rate of interest remains for years together, at not exceeding 2½ per cent. per annum; that during the same period, five millions remain in the Bank of England, yielding no interest at all; that, notwithstanding these facts, such is the state of property, and of the laws which secure it in Ireland, that the owners of old cultivated tracts of productive land, occupied by substantial tenants, find it extremely difficult to borrow money, on ample mortgage security, at the rate of five per cent. per annum, interest; this being 100 per cent. above the market rates, and 25 per cent. above the mortgage value of interest, for money borrowed on similar property in England? The Bank of Ireland, as well as other Irish banks, eagerly lends money, on mercantile securities, at the rate of four per cent. per annum, interest; but would the same parties, with the present liability to pay their notes in cash, lend upon old tenanted, productive, landed property, at six per cent.; or upon the security of bog property, at eight per cent.? No: unless in imitation of the land-banks, in the newly settled states of the American Union, they could, by legal enactment, or by private contract, rid themselves of the liability to pay their notes in cash for ten years.

Appreciating, as I do, the valuable labours of the political economists, I must, notwithstanding, deprecate that confident, dogmatical spirit, under the influence of which they apply doctrines, in the abstract undisputed, without considering the circumstances of the particular case. In regard to its applicability to

the affairs of men, a general principle which may be true, speaking of 100 years, may, by peculiar circumstances, be rendered false in speaking of 10 years. And asserting that, if the bog and waste lands of Ireland would pay for cultivation, capital would immediately be applied to that purpose, is a forcible illustration of the necessity of examining conclusions drawn from general principles.

There can be no doubt that, supposing the laws and the security for persons and property to be equal, if capital yield more, applied in cultivating the bogs of Ireland than the flints of Surrey, crops of corn will be seen waving on the bogs, and the Surrey hills will be abandoned to the rabbit and the sheep; but we see that circumstances have recently transpired, which, as far as they affect the question, render it less likely that capital should be risked on the bogs of Ireland than it was twenty years ago. If the present currency regulations be rigidly persevered in, and carried into full and perfect operation, they are a bar to the appropriation of capital to any new sources of production on the land in the British islands, and they will cause much capital, now engaged in maturing agricultural productions, to be withdrawn from that source of industry.

The cultivating of the waste lands of Ireland, therefore, remains still an open question, which requires further investigation, before any extensive outlay on emigration can be justified.

Whoever reflects on the uninviting nature of the task, and appreciates justly the talent, patience, and perseverance, required to establish emigration on a

wise system of operation, must honour Mr. Wilmot Horton for his benevolent and patriotic labours. That I should have the misfortune to differ from him, in his anticipations of any extensive beneficial result from the adoption of the plan he recommends, is no proof that I do not justly appreciate either the object, or the intelligence which he has brought to bear upon it.

I do not concur with those writers and speakers, who would shrink from the undertaking, on account of the hopelessness of being able to abstract any such proportion of the destitute poor as would produce a salutary effect upon the condition of the remainder. The abstraction of a very small portion of these, and the knowledge generally diffused amongst the labouring classes, that an outlet was provided by Government for the most necessitous, would have a most prodigious effect upon the market for labour. After emigration, with its requisite accompaniments of discipline and instruction at home, had been in systematic operation a few years, its moral effect upon the whole labouring population of the British islands would, I believe, be greatly and extensively beneficial. But to attempt to organise emigration, for the purpose of relieving us from the effects of a redundant, miserable population, upon any system which would entail an expense to the public of 15*l.* or 20*l.* per man, I consider as futile a project as it would be to cultivate the mountains of Wales, by first spreading over their surface the bog-earth of Ireland. I can conceive no unobjectionable system of emigration, but one, which rests upon the principle of making the destitute poor of this kingdom work out their own salvation, from a

state of suffering from redundancy, almost wholly at their own expense: and this I do consider practicable.

Premising, therefore, that I am not prepared to offer any opinion, whether we ought first to seek relief, by cultivating the waste lands at home, by emigration, or by a more just apportionment of the present productions of the British islands; nor whether, (an opinion to which I am most inclined)—these three important objects may not fitly be attended to by proper functionaries at one and the same time; I proceed to suggest a plan, which shall be compatible with the cultivation of unproductive land in the British islands,—with emigration,—or with some domestic provision for the support of the destitute poor.

The plan I have to suggest, being most comprehensive in its object, I expect no countenance from those gentlemen, all powerful though their influence be with the public, who consider that to polish a paragraph in a prize essay, or to round a period in oral discourse, is the sole evidence of human wisdom. Any plan whatever is sure to be a target for all the smart and pert beings, who attempt to guide public opinion, to fire at; because, as out of ten plans suggested nine will assuredly fail, by making it a rule to laugh to scorn all new plans whatever, they have nine chances to one in favour of proving, by that means, their own immeasurable superiority. In addressing a man, however, who has expelled the greatest military power from a great country, and restored independence to a people over whom once ruled the most powerful potentate on earth;—who by his conduct, under the most arduous circumstances, proved his capacity for

difficult undertakings, by restoring embarrassed finances to order, and giving, during his sway, to defective military and fiscal resources, vigour and effectiveness; there can be no other apprehension, that an important subject, if properly treated, will be neglected, than what arises from his increasing avocations. If, therefore, the following suggestions be so recommended to your Grace, as to cause them to be honoured by any notice, I presume to ask, that opportunity may be afforded for the removing of any objection that may arise in regard to their expediency or practicability.

Admitting that, of which all science proves the truth, that the just method of rectifying whatever mischief has arisen from erroneous principles of action, is first to ascertain with precision the causes of disorder, I must now content myself with declaring, what I regard as the leading proximate cause of our present embarrassments, in regard to the labouring and destitute population. On this subject there exists so much difference of opinion, that volumes might be unavailing to produce general conviction; a few sentences are requisite to explain my view of the matter, in order that the remedies proposed may be duly appreciated.

The remarkable discoveries in science, and the astonishing inventions in art, which took place in the reign of George III. encouraged and directed by intelligent men of capital, in all departments of industry, to the improvement of languid sources of production, and to the opening of new sources of wealth, caused these effects; they doubled the productions of the soil, trebled the produce of the mines, and more than

quadrupled the manufactures of the country: and these effects were accompanied by a rapid increase in the labouring population. The success which generally attended all who were engaged in active business, and the benefit which all who were possessed of land and fixed capital hence derived, made every man anxious to participate in the advantages of these new circumstances. The sole check was the limitation of capital. Credit was substituted for capital, and banks and paper-money increased and multiplied. If a man had not money enough to build a cotton mill, he could put out bills or notes in amount sufficient to build ten cotton mills. If a land-owner had no capital to cultivate his own land, he could divide his estate amongst twenty young farmers, and each would be furnished with money from the country bankers to cultivate it. And thus rabbit warrens were made to yield a produce exceeding that of the fertile soil of the Netherlands. Such was the power of these causes, towards the termination of the last century, that, unobstructed by a war, they would have enabled the Government to pay off all the then existing debt long before the close of the reign.

A war, however, of unexampled magnitude and expense, required the aid of all the energies of production. They were kept in vigour increased and strengthened. And with them, banks and paper-money increased and augmented. The old standard of value, established in far different circumstances, had no power (and unassisted it never will have the power for ten years successively) to regulate, by its old measure, the vast transactions in finance which grew out

of these circumstances; and the Bank Restriction Act was passed. Then paper and bad coins became the sole medium. In the twenty years which succeeded 1797, the currency of the country was increased four-fold. The amount of the currency being quadrupled, the reason, and the only reason, that it was not reduced to one quarter of its former or denominative value, is, that the number and amount of the exchanges or transfers of commodities increased, except at intervals, pretty nearly in a corresponding degree; and the currency was not, for any long duration, perhaps reduced more than four-tenths, or to 12*s.* in the pound.

So multifarious and ingenious are the devices of the issuers of paper-money, that any law, short of one directly to suppress any part of the currency of a denomination much wanted, will be evaded or counteracted by substitutes. Mr. Peel's Bill, of 1819, was that sort of law. There arose at that time a dexterous man, yclept an economist, who, seating himself amongst law-givers, talked with all that sort of confidence which is ever used by those who practice the mystic arts. This man, aided by others who had been let into some of his secrets, by using cabalistic terms, and by placing his objects in different lights, persuaded the people, that, by adopting his scheme (which all men, who knew the arts of such conjurors, knew well enough would cause them to lose forty in the hundred) they would lose but four in the hundred, and that great good would follow the adopting of it. The Legislature, without sufficient examination, adopted this man's doctrines, and enacted, that paper should be exchangeable for gold, at the old measure

of value. The effect of the law passed by Parliament in these circumstances was, to compel the people to lose forty in the hundred of their stock; and, at the same time, to pay, wherever they had promised to pay, the full hundred, with the produce of their hundred pound stock, which they had sold for sixty.

This produced extensive injury; and the ruin was not general, only because the industrious people of property, in this country, had accumulated much stock, to which they could resort in such an emergency. That it was extensive, however, is a truth known to all. The fact, that more than a hundred advertisements, for the sale of farming stock, appeared in one number of a provincial paper, in consequence of the ruin, is a proof that it affected classes, less than all others liable to be overthrown by revolutions in the value of property; and affords a clear indication of the nature and extent of the general calamity.

Persons engaged in mines, manufactures, and commerce, sustained great injury by the operation of Peel's Bill; but utterly destructive as it was to all who had great debts and large stocks, the injury with these classes was more felt in the loss it occasioned on stock, than in the obstacles it threw in the way of the future operations of industry. Amongst men engaged in mines, manufactures, and commerce, the powers of production, though severely checked by that law, were not essentially and permanently injured, owing to the peculiar circumstances of their paper currency, and of their banks. Productions were even increased in those sources of supply.

It is different with the cultivators of the land: far-

mers who can obtain little or no relief from such currency as the traders use, and whose supply from the banks is, in great measure, stopped by the operation of Peel's Bill, are, it is remarked by the attentive observer, gradually declining in their power to cultivate to the best advantage. All contemplated improvements are given up; and all undertakings, in which an outlay of capital was risked for distant returns, are abandoned by all but the wealthiest. The amount of farm-produce, in Great Britain, is not now equal to the wants of the people; at least, farmers in general have no power now, as they had formerly, to keep accumulated stocks for unfavourable seasons and higher prices.

These circumstances have caused all supernumerary labourers in agriculture to be turned off; while the number of labourers, employed in other departments of industry, has also been decreased, notwithstanding the increase of productions, by the substitution of mechanical power for manual labour. As there are far more able-bodied men, of mature growth, employed in agriculture than in manufactures, and the pressure in that department of industry being greater than in others, the labouring population, in the mass, is borne down with greater force than it would be by a falling off in the demand for manufactures.

The stimulation given by the discoveries and inventions in science and art, and by the paper currency and the bankers, had not only prodigiously augmented the amount and increased the variety of the productions of the country, it had also tended greatly to increase the labouring population. So that, when the

violent and unguarded change in the state of the currency was resolved on, the evil became so much the greater, in consequence of the previous excitement.

Thirty years of stimulation given to the productive energies of the country by banks and paper money, succeeded by restrictive currency laws of unprecedented severity, and which press with the most unmitigated and unrelievable force upon the landed interest;—this is the principal immediate cause of the existing evil. I abstain from noticing those general causes of a redundant, miserable population, which are applicable to all times and all countries.

We have now a mass of destitution, misery, and crime; to be relieved from which requires the application of the most bold and energetic measures. We must not cowardly sit down in a state of hopeless apathy, but apply ourselves to devise a remedy.

It is idle to talk about moral checks as a remedy for existing suffering. If wise regulations be now introduced, and steadily persevered in, for the diffusion of knowledge and the improvement of the habits of the poor, moral checks may produce some effect, in the way of prevention, in twenty or thirty years. Either to feed the starving people by compulsory levies upon the proprietors of land, or to apply means for drawing off the destitute population, by emigration or the cultivation of waste lands, is as necessary as it is to apply means for drawing off water from a dropsical man.

In order that the statement of the case may be wholly unencumbered of considerations in regard to the greater or less urgency of the state of the disease,

I assume, as a truth fully proved, that great numbers of the people in the British Islands are in a state of destitution, which requires that the Government should adopt the most prompt and efficacious means for their sustenance and relief.

Embarrassed with surplus numbers at home, we have, on the other hand, an almost boundless territory of fertile land, for which we want a population; as well for security against the designs of a rival state, as for a market for our manufactures. Can we make a communication between these at a moderate expense? Can we construct a "highway" upon the water, to use the eloquent words of Mr. Canning, "rejoicing" that our course "upon the waves has the certainty and steadiness of a highway upon the land?" Let us, at least, make an effort.

When Palmer introduced his mail-coach system, he introduced nothing new: coaches travelled between Bath and London; and he merely applied them to a new purpose. When M'Adam introduced his improved system of making roads, there was no novelty in it: breaking stones small, and laying them on an even surface, with a little inclination, had been practised in Sweden for a century. The merit of these gentlemen, and great was their merit, lay in their persevering efforts to get, in spite of prejudice and hostile interests, improved systems established in the place of those that were defective. I claim no invention, no discovery; but I purpose simply so to apply materials which are ready to our hands as most effectually to attain the desired end, in the most practicable, cheap, and expeditious manner.

The great difficulty which we have to overcome, is the expensiveness of ships; which prevents their multiplication in number sufficient for our object. This can never be accomplished upon the present expensive mode of ship-building, which requires timber of peculiar shape,—shipwrights of acknowledged skill; both of which must be paid for extravagantly. I would, therefore, recommend vessels of a simple construction, which would require no bent timber for knees, ribs, and beams, and no shipwrights to put them together. Vessels built upon a plan so simple and unerring as would enable men of all crafts, or of no craft at all, to aid in the building of them, and would (except for overseers) supersede the necessity of having any other men than thriftless shiftless paupers to be employed in their construction. So that, after an easy communication had been once well established between the lands in Canada and the pauper population, no vessel should be built or used in pauper emigration but those which had been constructed by the destitute poor themselves. The progress would at first be slow; but, after a number of people had been trained and disciplined to the manufacture of such ships, and a tract of country had been made to yield a produce sufficient to feed ten times the number of those who cultivated it, the progress of the system would be astonishingly rapid. Much time would be consumed in constructing the first ten ships; after that, a hundred would be constructed in less time than the previously-built ten; and, after that, five hundred in the same time as the hundred; and all would be the work of the paupers themselves, who, under the

superintendence of a few paid overseers, would be employed in constructing their own "highway," and in producing their own food. The woods of Canada are boundless and accessible; its fertility is such as, with labour, to yield exhaustless resources. Let us give the poor the means to work and feed.

After describing the proposed system a little more particularly, and fairly stating its merits and defects, we will rest for a moment, to contemplate some of the effects that may be anticipated from its introduction under the authority of the Government.

Ten or twelve years ago, an ingenious American came to this country, to introduce what he called a new system of naval architecture. He constructed a ship without knees, beams, ribs, or timbers. A frame-work, of the exact dimensions of the interior of a ship, was made and set up, according to an approved model; when the frame-work was fitted together, thick planks were affixed to it horizontally, being first steamed to make them easily bend to the shape of the model. Upon these planks, other planks, of the same thickness, were placed diagonally, and fastened to the first by wooden pegs; and then the third layer of planks was again placed horizontally, and fastened, in the same manner, with wooden pegs; so that the grain of every succeeding layer of planks crossed the grain of the former layer of planks nearly at right angles. In this manner the ship was built, decks and all, at once. The number of layers of planks would be five, seven, nine, or eleven, according to the thickness of the planks and the strength required. After the hull of the vessel is perfectly made, the frame-work model

within is taken to pieces, and the same framework may be set up again, in the same shape, for a hundred vessels in succession.

It is unnecessary to load the page with any more than this brief description; which, for the present occasion, is enough to convey a correct notion of the thing recommended. Then what are its advantages and disadvantages?

Avoiding all theoretic disquisition, as to whether this be or be not the best mode by which wood and wood can be put together, to obtain the objects wanted in a ship, viz. strength, buoyancy, capacity, and durability, for which, indeed, I am wholly incompetent; I will confine myself to a statement of obvious, indisputable, practicable advantages for our contemplated object.

The Advantages:—

1st.—A vessel must have the requisite strength.—Any degree of strength, desired by the ship-builders, may be had upon this system.

2d.—It is more healthy and more easily kept sweet and clean. There are no ribs and false flooring, to harbour vermin and engender foul air; the inside of the vessel, when empty, can be as readily washed as the decks.

3d.—Except a few men to set up the models, and to put on the keel, rudder, masts, and rigging, any man who never before saw a ship is at once a shipwright, provided he have power to make a wooden peg, to bore a hole to receive it, and lift a hammer to drive it. The high priced labour bestowed in shaping the timbers in the old mode is saved: the saw-mill turns

out, in the proper shape, all the wood required for the hull of the vessel.

The whole weight of the vessel, from the absence of heavy timber in ribs, &c. being much less, and the draught proportionably less, there is less resistance in passing through the water, and vessels made of a proper shape for sailing will sail faster; consequently the voyage will be shortened. When a fast sailing vessel has been made upon one model, a hundred may be made upon the same model, and thus the probability is increased of having a number of fast sailing vessels.

Disadvantages:—

1st.—For the purpose in view, viz. emigration at the public charge, I do not actually know of any disadvantage in the system recommended. I am certainly inclined to suspect that, when the wood is used in an unfit state, in both cases, there is less probability of the dry rot being engendered in the old mode of building than in the new. But, by felling the trees at the proper season, using no planks but such as are perfectly dry, and putting some cheap preservative cement between the layers in building the vessel, I believe that ships may be made to last longer without repair by this mode than by any other.

2d.—For mercantile purposes there is, as regards the repairing of the vessels, a decided disadvantage. If a vessel, upon the old construction, be injured in the hull, she may be made right, by taking out a damaged plank or two, and putting in good ones; and this is what any shipwright, in any part of the world, can do without breaking into his habits; but if a ves-

sel upon the new construction, being a lamellated shell, sustain damage in the hull, all the layers except one must be cut away, to a distance of several feet, surrounding the hole or damaged part, in order to make the repaired part of the requisite strength. This is a thing readily done by any shipwrights: but as those artificers are the most prejudiced of men, they will not work according to any new method without extravagant pay. In this case they would also know that plough-boys would make as good ship-carpenters as themselves; and all their corporate feelings would be immediately aroused.

3d.—A vessel, built upon a system which varies from the acknowledged mode of naval architecture, has no station in the books at Lloyd's. She is neither A 1 nor A 2,—nor E 1 nor E 2: but she must be specially described in a policy of insurance, as being without knees, ribs, or beams. This, of course, affords an opportunity for the underwriters to charge exorbitant premiums, the only limit to all such charges being, as in all similar cases, a competition arising from a concupiscence for gain.

The two latter disadvantages, though great, in the view of introducing a new system into use amongst merchants, would be nothing in the contemplated object; where the agents of Government would alone be shipbuilders, shipowners, underwriters, and shippers. The latter objection might be very quickly removed, as far as the insurance of goods is concerned, because it can be proved they would not be so liable to be damaged, and not so subject to accidental injury in these, as they are in the old ships.

Can any light be derived from experience for or against the system recommended? Experience affords in this case but little evidence, and that little is of a mixed character. Shipwrights and shipowners, if they know anything about the matter, would say at once, that the scheme had been thoroughly tried and had proved an irrecoverable failure. All that I know upon the subject may be very shortly stated.

About ten years ago, the inventor of this mode of ship-building was in England, and he then superintended the building of several vessels upon his system. He was, I believe, very ignorant of the qualities of wood; and for that reason, as well as because it was cheaper, the wood he used was of the most inferior quality. One very little schooner, of his building, was employed in the Mediterranean, and in the fruit trade. Another, a brig or barque, I forget which, of about 250 tons burden, by measurement, made her first trip to the north for a cargo of coals. She was loaded at a spout higher up the river than any vessel of the same size; and she brought to London, in bad weather, in the winter, a greater number of chaldrons of coals than any vessel of the same register burden had ever brought. She made several trips in the coal trade, with the same result. She went afterwards to the West Indies, with a miscellaneous cargo, and was absent from England for nearly two years, trading about for lumber, &c. in various climates, and brought home sugar and other West Indian produce. After that she was employed in various trades, and latterly in the Baltic.

While this vessel was building, I met, accidentally,

with M. Dupin, who came to examine that, amongst other objects of interest; and I heard him express an opinion, that this, or some modification of it, would ultimately be the prevailing system of building ships throughout the world. This might be French courtesy. I know not whether the system has been introduced into France.

I also conversed with one of the most extensive builders of ships, for both military and commercial uses, in the kingdom; a man, who had been designated, by the great Lord Nelson, as one of the most skilful of his craft. He expressed a warm and most unequivocal approbation of the system. He, at the same time, said, that he thought it was capable of being improved, by some little alteration. He afterwards built several vessels in his own yard upon this plan.

The plan bears a close affinity to Sir Robert Seppings' mode of constructing diagonal decks; which, I believe, is established as a good one.

The inventor came from America with strong vulgar Yankee prejudices against us. John Bull afforded him so little encouragement for his ingenuity, that he returned to America, with his prejudices strengthened, and his feelings exasperated. And, I am told, that he is now building small vessels, on an extensive scale, upon his system, in one or more places, on some part of the lakes or mighty rivers belonging to the United States.

Now, though common sense leads me to view this plan of building with favour, I am by no means prepared to enter the lists in its defence, as a better

system, for all purposes, than the expensive one now established. I am one of those persons, to whom experience has taught the necessity of exercising extreme caution, in the adoption, except in the most limited manner, of plausible theories, without practical knowledge, and where it can be had, experience also. Bearing in mind, however, that I venture to recommend this plan to the Government simply as a means, perhaps, with some modification, of forming a "highway" communication between a starving population and exhaustless resources for food, I do think the evidence is sufficient to warrant a public consideration and experiment of the plan. And I arrive at that conclusion, chiefly because it is the only mode that has been presented to my mind, by which the poor can work out their own emancipation, from a state of abject destitution, vice, and thraldom, by their own almost unassisted exertions; and because, moreover the ships built upon it are secure and more buoyant, and more wholesome for the conveyance of passengers than any others.

We have an unlimited quantity of fertile land, upon which, after it has been brought into a state for cultivation, ten men will raise food sufficient for a hundred men. Let ten raise the food, and ninety be employed in constructing ships to convey their pauper brethren. We have timber, not only unappropriated, and as cheap as air or water, but growing in such a state, that every tree which is cut down, gives immediately a property to man, in itself, and in the space on the soil where it grew. And, in regard to the extent to which the scheme may be carried, if ten

men can raise food, and ninety build ships, ten thousand men can raise food, and ninety thousand men can build ships. With wood as abundant and as cheap as water, with soil extensive and fertile enough to feed ten times our population, with myriads of labourers, who want only food to enable them to labour; with such elements, what possible limit can there be discovered to the principle of this plan, for the full and perfect relief of the whole of our destitute population?

It is not difficult, however, to conceive various limitations to the contemplated good, which may occur in practice. Whether the contingent benefit, which may result to us in an indirect manner from such a system, may not go far beyond the point of compensating us for the first unavoidable expense, is a problem which I shall leave to time.

We are essentially a manufacturing nation. By such regulations as tend to facilitate our intercourse with the markets for our manufactures, in Southern Asia; by a system of fair reciprocity with the states beyond the Atlantic; and, what I regard as more unequivocally beneficial, by simplifying, quickening, and rendering cheaper our means of intercourse with our distant plantations, the markets for the manufactures of Britain may be prodigiously extended. This, I think, is the view for the trade-minister of England to take, if he wish to devise means for extending our commerce.

Whether such an establishment, as I am contemplating, will be regarded by the Government (if looked at at all) simply as a "highway" between the

many useless men and the many useless acres, to be undertaken and kept in repair at the public charge; or whether indemnification for the expense will be sought to be obtained by carrying merchandise, or by vending ships or materials, is a consideration of policy which I leave to wiser heads. If such a question of policy be entertained at all, and it be found expedient thus to seek indemnity, but to limit the operations which might grow out of the partial adoption of the policy; the limitation will probably be found in the public vessels being restricted to bringing home nothing but wood, fish, and corn, and that chiefly for the uses of the pauper population of these islands; to the exporting of minerals, and to taking out, *at the cheapest rate, voluntary emigrants of property.* Nothing but the expense of freight can prevent a very extended export of lead, salt, iron, and coal. And the more cheaply and expeditiously emigrants of property, whether Englishmen or foreigners, are taken out and settled, the sooner will the Government lands be sold, productions raised, and all the means of extending wealth and civilization be afforded us.

My design being to place the project which I recommend in a strong position, and so guarded and intrenched, as to be unassailable by fair means, I will consider it purely as a "highway" between the receptacle for the destitute poor, and their means of sustenance. Though I look at the matter also as affording to persons, of small property, a regular, secure, and cheap means of emigration.

Purposely abstaining from loading the consideration, on the present occasion, with any details of the

smaller expenses, and supposing the charge for all these, such as tools for the woods; saw-mills; tools, sheds, huts, and conveyance for ship-building; implements in husbandry, seed, clothing and bedding for the paupers, &c. to be included in one gross sum; the main thing now to look at is the probable expense to the Government or country of constructing the "highway," and keeping it in repair.

We have seen, that, by applying that portion of pauper labour, which is not requisite for raising food to the appropriating of timber which, like the water of the ocean, belongs to no man, we arrive at the point of being able to construct the shells of an unlimited number of vessels, without any charge; or, to be quite safe in our statement, at a charge so unimportant, that, whatever it might be, would easily be compensated within the territory of Canada, by contingencies arising out of the process of the operations there. But besides the hull, masts, spars, and boats, which we have by our own labour, we want pitch, paint, copper, iron, sails, and cordage. What for every vessel of 300 tons burden will these cost? By the strictest economy, and buying at the cheapest rate, at the present prices, we must reckon not less than £800. Perhaps some portion of this sum may be saved, in the progress of the undertaking, by the pauper labourers being instructed in the making of the things wanted. If we want 1000 vessels, and can procure them at a cost of £800 each, by expending £800,000 we attain the desired object. One thousand vessels, of 300 tons each, can be made to carry out annually one million of paupers, men, women, and children.

Having previously been betrayed, by the magnitude of the subject, into discussion, I have now arrived, somewhat abruptly, at the ultimate point in the consideration. If I can succeed in showing to the Government and the public that, by expending £800,000 or £900,000, the framework of a system can be laid which affords the means of relief from the whole pauper population of these islands; if £800,000 will construct a "highway" to inexhaustible resources for human sustenance, and if £500,000 per annum will keep that "highway" in repair, and in a state of perfect effectiveness, there is at once motive enough submitted for those, who are groaning under the pressure of the poor-rates, to undertake the investigation of all the collateral matter connected with the suggestion. This, indeed, may most fitly be entered upon during the early stages of the operation of the plan in practice.

Looking at our means of extrication from the evil of surplus numbers, the poor and poor-rate question has always appeared to me to be regarded with unnecessary timidity and apprehension. Have we less sagacity than a community of rats would have in parallel circumstances? In such a case of danger as ours, half the skill which those ingenious animals display, in taking eggs, would accomplish their purpose. By tumbling the weakest rat on his back for a sledge, rolling the egg between his four uplifted legs, and dragging him away by ear and tail, they get their prize to their store in a manner as effective, for their purpose, as that of Messrs. Rennie, Telford, or Stevenson, for conveying coals from the pit to the

ship. If rats were confined in an iron tank, open on one side, from which there was no outlet but by burrowing under a fire, difficult and dangerous to approach, would they remain in the tank and die? No; but the strongest would protect themselves from the scorching of the fire, by the skins of the deceased, till they effected a passage under the fire, and thus ended their difficulty. If men of property, who are the strongest amongst us, will, protected by the poor-rate fund and aided by the Government, form a channel to the food, can any man doubt that the poor and starving will go to procure the food?

Pardon the homeliness of the simile, but here lies the whole matter: possessed of an ample fund from the poor-rates, which yield six millions per annum,—with boundless tracts of unappropriated land,—with wood as cheap as air, and labour plentiful as water, Providence has most remarkably furnished this nation with all the elements requisite to remove the scourge which afflicts it. Shall we pusillanimously shrink from using them? Frigid prudence might extinguish the flame of benevolence which I am anxious to raise, if it rested for support on charity. I ask not the efforts of private benevolence, because, on an extensive scale, they are generally abortive. I expect self-interest to give me zealous support, because the plan I suggest is an efficient sinking-fund, raised at the cheapest rate, to relieve us from the burden of the poor-rates.

Humanity says, we must not take out paupers faster than we can afford them the means of sustenance till they can maintain themselves. Hence the

necessity of stores and granaries, as well as shelter, where they are located. When we look at the present condition of the lowest English, and consider the wages of labour and the facility of obtaining food throughout North America, it is hardly possible to conceive that the destitute poor can remain long on that vast continent without finding for themselves better means of living than those from which they were taken; especially if the situations for landing them be judiciously selected, where the means of obtaining employment, by the exertions of the labourers themselves, are accessible.

While crimes are daily committed by the poor, in order that they may be sent to the colonies at the public expense, and while the colonial-office is besieged by applications from persons who are anxious to be sent to the plantations, I need not trouble myself with the question of compulsory emigration for the pauper population.

The plan which I now recommend of providing means for the destitute poor to obtain sustenance and raise themselves from degradation by cultivating the lands of Canada, is founded upon the supposition, that no obstruction can be given to the execution of the plan by the colonial government, and that, if it be deemed expedient, by the English Parliament, to adopt such a plan, ground will be allotted in favourable situations, so as to insure the freest access to it, and the unobstructed means of appropriating it. If, on the introduction of a system for our relief from the difficulties by which we are surrounded, it be in the power of the colonial legislature to raise obstacles

which cannot be overcome by the British Parliament, we cannot resort to this mode of extrication from embarrassment. But, it being manifestly the best policy of the owners of land and of the merchants and traders in Canada to give all possible encouragement to the increase of their population, I cannot anticipate any insurmountable obstacle from the colonial government to the adoption of this plan.

An organized system of emigration, like that which I contemplate, will, by affording an expeditious and constant means of communication, between the mother country and the Government land-agents and other functionaries in Canada, give the greatest facilities for locating emigrants with property. And much of the difficulty attending the emigration of farmers and artizans with some substance, which is at present experienced, will be removed. If, either for military considerations or commercial objects, it be desirable to raise Canada into an important colony, nothing can so promptly and so certainly conduce to that object as rendering the intercourse between that country and England, cheap, secure, and expeditious.

Neither is it important, in this stage of the matter, to consider of the best means of securing a supply of timber, of food, and of all things requisite to the perfection of the scheme. Paupers sent out at the public charge must undoubtedly be, for some years, under restraint, and compelled to work for the establishment; in the same manner as the Dutch are, who are sent to the poor colonies of Holland. When wise regulations have been framed for this object, I can discover no great impediment in the way of raising,

in the course of a few years, such piles of timber and accumulating such granaries of corn as will render all further apprehension on this head superfluous.

Having brought to a close the second division of my matter, that of emigration, I must bestow a paragraph upon a point which I know is of some delicacy. If Government build ships for the transport of paupers, they may use those ships, or build others, for the transport of soldiers and military stores. Cheap ships may, in time, be built by the emigrants in Canada, and sent to convey coals, stone, or minerals coastwise. If they be, it will *(barring the particular interest)* be a pure and unmixed good. Cheap and good ships afford precisely the same kind of advantage to a commercial community as cheap and good roads. They tend to equalize the prices of heavy commodities, and, in a country like ours, where such quantities of coal, corn, provisions, and minerals are carried coastwise, this is an important consideration. To reduce the price of coals, for example, where reduction in price is most wanted, and thus to create an increased demand for that almost inexhaustible production of our island, at a time when, by the produce of the new coal fields being thrown into the market, that increased demand is greatly wanted, would be an important matter. The main reason why the demand for British coals, both at home and abroad, is not more extensive, is the expensiveness of the ships. The machine, by which we convey coals from Sunderland to Rotterdam, costs as much as that, by which we convey silk from India to London. If, by introducing cheaper ships for the commonest purposes, you in-

crease the demand for our own productions, and if the second effect be to render the means of communication for mercantile purposes, with our colonies, cheaper and more frequent, you confer a great benefit on the nation. If we cannot have this benefit, without compensating the ship-owners, give them compensation; but not without, at the same time, compensating the hand-sawyers, the weavers, and all who have been levelled to the earth by such ruthless men as Watt and Arkwright—they all, in justice, have the same claim for compensation. I just allude to this; because no plan of extensive operation can be carried into execution, without encountering opposition from all whose interests are likely to be injured by it.

I have now a suggestion to submit to your Grace, connected partly with my scheme of emigration, and necessary to its perfect operation, and partly with the suggestions which I shall have to offer for the correction and prevention of crime; and, therefore, it may properly occupy this, the intermediate space between them.

It is unfit and unseemly that paupers should remain scattered about the country, where they contaminate, by their example, and lower the moral feeling of the labouring class; and where, in some cases, they allure by loose counsel the youth into dissolute and slothful habits. The thing wanted with these is, that they should be placed under regular discipline, and with plenty of wholesome food made to labour for their bread.

It is also highly inexpedient and improper, that juvenile offenders, and all persons who are first con-

victed of petty crimes, should either be turned loose into society, to pursue the same course, or driven at once into the abomination of a jail. These should be placed under some restraint, and with regular discipline be also made to labour for their bread. If this can be done, and they can be placed in a salubrious situation, entirely separated from their old companions, so much the better.

There are other considerations of great force, which I shall for the present pass over. The above are the main reasons on which I rely for support in the succeeding recommendation.

Discipline being the leading principle of the plan which I now propose to submit, it may be proper to rest a moment, to consider in what manner discipline may be made to conduce most effectually to the fortifying of those who are inclined to be virtuous, and the correction of the habits of the vicious.

Mr. Owen found part of the poor of Lanark degraded like those of many other manufacturing villages, by sloth and profligacy, and he left them industrious and virtuous. There was his great glory, and no after circumstances can wrest from him the celebrity of being one of the first men, who proved how much good might be effected by subjecting a densely congregated mass of human beings to the salutary regulations of discipline. I lament that, by pursuing impracticable objects upon his theory, this benevolent individual has lowered his reputation as a man of judgment and understanding. Mr. Owen's exertions being directed to train into virtuous habits people employed in a cotton mill, I cannot cite his

example to support my particular case, which has little or nothing to do with the minute operations of manufacturing industry. It is, however, of great value for its general bearing upon the question.

There are two modes, by which the practical operation of wise rules of discipline may be best secured. One is, by separating those, who are made subject to it, from the community, by local situation; and the other is, by a peculiar livery or dress, which will cause them to be immediately known by the public. Both greatly aid the design of affording all possible effectiveness to the rules of the disciplinarian. Experience does not afford many very apt examples in civil life, for the illustration of the subject we are contemplating. The most forcible which occur to me, are the Dutch colony at Fredericks-Oord, and the religious society of Quakers.

The pressure upon the circumstances of people of property, from the necessity of relieving vast hordes of poor, caused some benevolent Dutchmen, of active minds, to establish, about the year 1818, pauper colonies in the dreary wastes of North Holland. The success of this establishment, in relieving the community from paupers, and in giving habits of industry and virtue to the poor, far surpasses the anticipations of the public-spirited projectors. This success must be attributed principally to the excellent discipline of the colonies; and the salutary operation of the discipline is kept unobstructed, by the paupers being confined within the boundaries of the colonies, and by uniformity of dress. It is foreign from my present purpose, to enter upon an explanation of the principles

and operations of the system of the benevolent Poor Society of Holland, which has been attended with such remarkable success; but in the solution of the difficult problem,—what is the best mode of providing sustenance for the destitute poor of a state,—their conduct in establishing, with unpromising and apparently intractable means, a wise system for that object, affords an example of inestimable value.

Notwithstanding the persevering energy of Mr. Palmer, and although he was supported in his project by the friendly and patriotic zeal of Lord Camden, he would not have succeeded, in the year 1784, in establishing mail-coaches; if he could have referred to no similar carriages which were made to accomplish somewhat similar purposes to those which he contemplated. Without such evidence the mind of Mr. Pitt, with all his peculiar tact for appreciating objects connected with our internal policy, would have shrunk from encountering the opposition which the suggestion of new plans of improvement never fails to create. It will be proved, on examination, that such support as Mr. Palmer derived from this circumstance, is afforded me in tenfold strength, by the success of the existing poor colony of the Dutch at Fredericks-Oord: where the practicability, the economy, the utility, the soundness of the policy which I recommend, is proved.

The religious society of Quakers affords an instance of the extraordinary effects of discipline, wholly unexampled in the history of the world. In their doctrines of faith there is nothing remarkable; they do not essentially differ from those of the evangelical portion of the members of the Established Church.

Their leading principle being, that the appointment of ministers receiving pay, and the permitting any kind of oral discourse, but that which may arise from the immediate interposition of a divine spirit, is not in conformity to the will of Christ, makes their mode of worship of the simplest and most unattractive character: it being conducted entirely without reading, music, singing, and (except occasionally) preaching, there is nothing whatever in it to afford gratification to the senses or to the taste. Yet this society has been held together for a period approaching to two centuries, without, it might be said, with almost literal truth, any one of its members being convicted of a crime against the community: and has, too, been engaged more exclusively than any other in the creation and distribution of wealth. This I ascribe entirely to a very admirable system of discipline. Their discipline, excellent in its principles, is made efficiently operative, by subjecting the state of the society, in all its minute sub-divisions, to close examination and revision, periodically. The society derives no advantage from being separated by a line of demarcation between them and the contaminations of the world; for no people mix more in the busy scenes of commerce. They are partly protected, however, from the influence of an habitual intercourse with the trading and tricky world of traffic, by the peculiarity of their dress. Their habiliments form the best safeguard for perpetuating the principles and practices of the society amongst those in whom religious zeal has become relaxed. Hence the anxiety of all the influential members of that sect for the preservation of their distinctive marks

—plainness of speech and apparel. Discipline and these distinctive attributes form the cementing bond, which binds this singular society in union: a society, let us bear in mind, which has existed for nearly two centuries, without permitting one of its members to become a public pauper, or (except in very rare instances) having the disgrace of one individual of its body convicted by law of a moral offence.

Seeing that such are the effects of discipline systematically established and persevered in, let us see if we cannot apply this great, but neglected principle, to the improvement of the most immoral and miserable classes of the community.

We have been observing, how essential it is to the perfect operation of this principle, that something, either by local situation, or distinctive mark, should separate the objects of discipline from the mass of the community: of the two, local separation is the best, in all cases where the correction of vicious habits is the prime object.

If local situation afford the best means of separation from the contaminating influence of vicious associates, and of allowing discipline, with gentle restraint, to operate its full effect, how much more likely is that effect to be rendered certainly beneficial in circumstances, where nature has made the best conceivable line of demarcation, by the geographical position of the place, where the objects to be reclaimed and made virtuous, are committed to the care of the Disciplinarian.

We have this remarkable conjunction of favourable circumstances in a small and most salubrious island,

situated between the miserable poor of Ireland and the densely-peopled parts of England; accessible to both countries; near to the most important mines; and affording, in its position, the best point whence a permanent communication for the relief of the destitute poor can be made with our colonies. Its form, moreover, being long and narrow, affords the convenience of keeping criminals entirely distinct from paupers, and of subdividing and separating these according to merit or demerit.

For the purpose, then, of removing that which constitutes the great blot in our own internal policy—the extent of slothful pauperism and crime—and of raising the miserable into comfort, by means of systematic and unobstructed discipline, let the Isle of Man, or part of it, be converted into one great receptacle for the destitute population and for the venial public delinquents of this kingdom. Establish there schools, discipline, and workshops; and introduce skilful labourers in husbandry. Train the poor in habits of industry in all departments of labour, in which their labour can be made subservient to their own welfare. Make them raise all their own food, whether that can be best accomplished by cultivating the soil of the island, or the waste lands of England or Ireland, or of the colonies. Employ them in constructing for themselves ships, by which to form a public "highway," upon the deep, to Canada or Sydney; and, within twenty years after the system has been efficiently established and in complete operation, it is probable that you may have (barring such events as crumble empires in the dust) your paupers trans-

muted into consumers of your manufactures, your juvenile delinquents into virtuous citizens, and your poor-laws, which have so embarrassed all the great men, with Mr. Pitt at their head, may become a dead letter, except as they affect the infirm and aged poor.

Ever since I reflected on these matters at all, I have lamented the total absence of all means for the correction of the vicious: there have been no such means as a benevolent Government ought to provide for the restitution of reclaimed delinquents to virtuous society.

When we see what has been effected, by discipline and the hope of reaping the reward of labour in the possession of property, upon some of the convicts in New South Wales; we are bound to attempt to rescue from crime and misery the less hardened offenders against the laws who remain at home.

The emancipated convicts of Botany-Bay, *who were all such as were steeped in crime*, are now the most virtuous portion of the people of property in that distant colony. All who carry on commerce with that country prefer to deal with such emancipists as have acquired property, because they are more punctual and honourable in their transactions than the free settlers of the same colony. How powerfully does this circumstance impel us to extend the benefit to the young and reclaimable delinquents of the mother country.

The object of this pamphlet being to present the suggestions contained in it to the Government and Parliament for their consideration and approval, as

outlines of plans which it may or may not be thought expedient to adopt, I have abstained from entering on details, except as to the mode of constructing ships for emigration. Such details as relate to the discipline and the fittest mode of instructing the destitute poor can be settled only by the Government.

An establishment, in which the pauper and the delinquent portion of the community are made subject to systematic regulations, affords the only eligible means of carrying into execution compulsory emigration on an unobjectionable principle. No obstacles ought to be raised in the way of able-bodied paupers emigrating to the colonies, wholly or principally at their own cost: but when the state entirely defrays the charges, considerations of state-expediency can alone govern those who elect the fit objects to send to the plantations. In the early stage of the operation of the system, those only will be selected for deportation who are of the least value to the old country, or who are the most wanted in the new settlement for some object, dear to the interests of the mother country. The obvious truth of the principle and stern necessity will teach us to treat fastidiousness of feeling and expression on this subject with contempt. The number of men in our Australasian colony so far exceeds that of women, that, speaking merely as an economist, and looking at effects proximate and remote, the greatest imaginable good, which could visit that colony, would be the arrival of a hundred ships laden with women under forty years of age. I leave Mr. Malthus to *bewail* the injury which such a trans-

portation to our youthful colonists would inflict on Old England.

Some persons recommend that none but the hale and the virtuous should be sent to the colonies: send away the best bone and muscle, the talent and skill, and you export the sinews of the nation's strength. Then send away your sheep, and keep your rabbits,—your cows, and restore the wolves,—your horses, and keep the mules; and be great and dignified in consistency. Napoleon depopulated France of its youth for ambition: but we, heartless as Napoleon, without his greatness, would rob Britain of its virtuous youth, and cover it with decrepitude and crime, from pure inanity.

The wonderful yet authentic stories of the influence of soil and climate, in making the old young, and the weak strong, and the speedy transmutation from vice to virtue, which follows on the change of circumstances amongst our colonists in Australasia, renders the transportation thither of any but the youthful and the virtuous, an object of desire alike to the economist and the philanthropist. The economist says, where you can raise the most valued productions the most cheaply, there let them be produced. Of all productions to which the earth gives birth, children are the most wanted, and women to produce them are maintained at the cheapest cost in Australasia. The philanthropist says, remove those who are miserable and scattering misery around them, to a place where they can be happy and useful. Then let the poor women of England be sent to our Western lands and our Austra-

lands, to populate and create markets;—to increase, multiply, and be happy.

But, if the case were as weak as it is strong, in regard to the wisdom of sending out, at the public charge, the female and the least valuable of the male population, policy and justice demand that the money which the people of England pay for their own relief should be expended for their own advantage; that you should send out that which is to them a source of weakness, and retain that which is their strength and support. If any minister caused to be sent to the colonies, at the public charge, those who had youth, talent, strength, and virtue, and retained at home the weak and diseased, the aged and the wicked, he would merit impeachment.

It may be proper to bestow a sentence upon one essential matter connected with the consideration of the contemplated undertaking. Wherever the corn may be grown, which the paupers will be employed in raising, a great portion of it must be brought to the Isle of Man to be stored. Corn, in good condition, stored in the ear without the straw, in a dry, airy, and secure manner, will keep perfectly sweet and good for many years. The wood brought from Canada will enable the poor to construct their own receptacles for grain. Granaries, built so as always to remain dry and airy, and framed in a peculiar manner, to admit of ventilation, to prevent the inroads of vermin, to allow of storing without heaping corn dangerously, may be rendered subservient to the comfort of the pauper population only, or to the public security and convenience. With the means with which Providence

has furnished us, we ought to be independent of foreign nations for the supply of the urgent necessaries of life, and I hold it to be our disgrace that we are not so. Amongst the ultimate consequences that I anticipate from the appropriating of the labour of the pauper population to the raising of food, is this most important effect: that when the plan is in complete operation, no subject of His Majesty shall thence after eat bread made from corn which did not grow upon land subject to his crown.

In commencing the last division of the matter, viz: the state of crime, it may be proper to say that I should not have entered upon such a subject, but that it is inseparably connected with that view, which suggested the foregoing plans. As, however, I have recommended the means of correcting delinquents, it does appear to be also within my province to suggest the means of detecting their earliest commission of crime, and checking them in the first stages of a profligate career; for the purpose of their being placed under restraint and discipline. I feel my utter incompetence to do more than hint at a mode of accomplishing this purpose, which has not, that I am aware of, been before suggested.

There has been no attempt to establish a comprehensive system for the prevention, detection, and correction of crime. The laudable exertions, persevered in through difficulty and obloquy, of those benevolent individuals who have endeavoured to improve the condition and discipline of our prisons, are directed to a different object. My views are directed not to jails, but to preventing the necessity of consigning

young and inferior delinquents to their contaminating influence.

Upon our present system, all the efforts of magistrates and their subordinate officers, extend no further than the detection of offenders and their punishment. No judicious efforts are made in a general, systematic manner, for reclaiming venial delinquents, and restoring them to the ranks of the virtuous. The power should rest somewhere of separating from society, by other means than imprisonment in common gaols, juvenile delinquents, and those who are detected in committing, for the first time, small offences. But without such knowledge as can be acquired from regular survey and examination by appointed functionaries with local knowledge, no measure of a preventive, remedial, or corrective character, apart from legal punishment, can be executed.

Taking, for an example, the policy of our great Alfred, would it not contribute to the prevention or detection of crime, and lead more promptly to the correction of criminals; if we divided the population into portions of ten thousand each, and placed a superintending officer over each such portion, who should be made responsible for communicating a correct knowledge of the state of crime in his allotment? Upon this principle the ancient tithing-men were appointed,—only they were responsible for a hundred;—these would be for a hundred times a hundred; and they must of course have higher functions and more power. The duty of these officers should be the investigating and reporting at fixed periods, to higher authorities, the state of the society in each

allotment of the people. General rules, properly prepared, for the guidance of the officers in making these reports, would give the power to the superior authorities of ascertaining, at all times, from these periodical returns, the increase or decrease of crimes in general, and of each particular crime in every district.—Local circumstances might cause a deviation from the rigid observance of the exact subdivision of the population into stated numbers; or the complete exemption, during the early stages of the experiment, of some parts of the country, from the operation of the system. The moral condition of thirty thousand people would be more easily ascertained in Westmoreland, than that of ten thousand in Warwickshire.

The new tithing-officers must maintain an occasional correspondence with their brother officers, respecting the change of abode of any professional thieves or pickpockets. Nothing can be more systematic than their plans for committing depredations on society, and they can be counteracted only by equal skill and vigilance for the protection of persons and property. It will probably be found expedient to give a power to the new tithing-officer, the clergyman of the parish where an offence is committed, and a justice of the peace, of deciding conjointly for the prompt temporary exile of offenders to the Isle of Man; with power to appeal for confirmation of the decision of the tithing-officer and one of his coadjutors, in the event of the magistrate and the clergyman differing in opinion. The assent of the tithing-officer to the temporary deportation of offenders must be required in all cases.

Whenever the tithing-officer has ascertained that

there are certain houses, situated within the range of his duty, where pickpockets, burglars, &c. live, or meet to prepare for their depredations,—houses known or suspected to be used for depositing or dividing spoil taken from bankers, jewellers, &c. or where such practices as forgery, false coining, or the making of house-breakers' instruments, are carried on, or are likely to be carried on,—and a report of these houses, by number, has been submitted by that new officer, in conjunction with a justice of the peace, or the clergyman of the parish, (but not singly,) to the Secretary of State, he, the Secretary of State, must have the power to render all such houses subject to be entered by constables, at all hours, under the direction of the tithing-officers. The time for the exercise of this power to be limited.

Some classification of offenders and offences will be necessary. The law must declare what kind of offences exclude the perpetrators from the benefit of the mild restraint and discipline of the Isle of Man. It will also limit the term for which delinquents may be exiled, and perhaps prescribe the degree of restraint that may be imposed upon them.

Lock-up houses, or rooms, separate from those in which convicted criminals are confined in houses of correction, must be provided, in all considerable towns, for the reception of all persons consigned to restraint and discipline by the authority of the three before-mentioned functionaries. There they must wait for the periodical conveyances which must be established between central places and the general receptacle for correctionable offenders. Parts of the

country so remote as to render the expense excessive of sending delinquents to any single general receptacle, as that of the Isle of Man, may be exempt from the operation of this plan, till proof of its salutary working be manifest. After that, the same sort of discipline might be in operation at more than one place. Ships or steam-boats (belonging to the pauper establishment) appointed to sail, at fixed times, from all the principal seaports, and which might be made, like the receiving ships in the Thames, receptacles for the delinquents till the time for sailing, would remove much of the difficulty arising from distance, if there were permanently but one general receptacle.

In some districts the extent of crime is not alarming, nor its recent increase great. This may occasion parts of the country to be excluded from the operation of this measure. I am, however, inclined to regard it as a general system, which any local limitation of its exercise would render defective. This is a point which can be determined with safety only after an inquiry amongst magistrates and persons who are most likely to direct to just conclusions. What limitation should be prescribed to the operation of the measure, in regard to the offences or offenders to be placed within its range and control, must also be subject to the same investigation.

I must trust to the motive to palliate the presumption of any attempt in me to point out who would be the fittest persons for this new description of petty magistrates, who have been designated tithing-officers for the want of a shorter good term. There

are no persons, who, considering their feelings and habits, endure more mortification and privation than military and naval officers on half-pay, who have families or connexions to support. There is nothing in the habits of life of such men, if their conduct has been correct, to render them unfit for the duty; and an increase to the pay of half-pay officers, for a specific duty performed to society, would be an unequivocal benefit, which all must regard with pleasure and approbation.

It is not to be anticipated that minds like that of your Grace will at once reject a plan, merely on account of its novelty or its magnitude, or because it is deficient in details. If there be, in this outline-sketch, a sufficient indication of the merit of the scheme, it will no doubt, in time, be duly appreciated and considered. It affords but a poor consolation to a projector, of correct feeling, that his plan is not likely to prove inferior to those of former schemers. The end to be attained being, in two cases, somewhat similar, that plan which aims at its accomplishment by mild restraint, discipline, and labour on a healthy island, is at least as likely to be successful as anything whose operation is within the walls of a penitentiary erected in a marsh.

This plan of confining the idle and dissolute portion of the population appearing simple, practicable, and economical, can its comprehensiveness create a prejudice against it? It is palpable in all its bearings; let it be examined. The existing evil is great—it is increasing—wise men apprehend that it may soon become uncontrollable: surely some attempt should be

made to extricate us from the difficulty, and to place us out of alarm from the impending danger. We expend great sums in county rates—in the building, supporting, and guarding of gaols. Nature has formed for the criminal population of this kingdom the most perfect place for confinement and discipline that can be imagined. When placed under proper regulations, in regard to the arrival and departure of vessels, no convict could escape from the island, nor could any of his profligate comrades approach it. Neither could he, nor any benevolent Howard, aiming at the improvement of the unhappy lot of the vicious, fall a victim to a pestilential disease generated by the foul air of a gaol; for the prison would be an island, proverbially salubrious. Sending the idle and the vicious thither would moreover have a similar effect upon the counties of England, to that which would be produced upon the fields of growing barley, by weeding from them the docks and the thistles; the weak and youthful plants would grow and fructify. Finally, the effect upon the dissolute and the hardened in vice would be very extraordinary, in case the plan should be extended beyond such as have committed venial offences. After one of these has been once in a common gaol, and turned loose unreformed on society, he regards the being committed to prison again, as little more than a circumstance, which affords him the means of rehearsing the scenes of his midnight heroism within the walls of a prison. It would be a very different matter the being sent to discipline in the Isle of Man; where, cut off from his associates, he would be made to labour till reformation appeared; and where disci-

pline would increase in severity in proportion to repeated transgression.

I am prepared to defend the foregoing recommendation against any charge that may be levelled at its arbitrary tendency. The effeminate fear of this charge is a principal cause of the present appalling extent of crime, and of the unparalleled cunning and audacity by which it is marked. We are not yet arrived at a state, to make us purchase exemption from the exercise of systematic villany, by previous bargains with the captains of criminals; in the same manner as travellers, in the Papal dominions, bargain with brigands for safe conduct. But, that our supineness has brought us nearly to this state of abject truckling to the dextrous and confident robber, is manifest from the disgraceful practice of compounding felony carried on by the agents of the bankers with the thieves. There are not yet, as in Italy, troops of mounted robbers scouring the roads; but we witness the chiefs of an organized system of robbery, possessed of great wealth, able to expend vast sums upon their subordinate agents, while they are perfecting their schemes of crime, and who, in the event of success, can exact enormous sums for the restoration of the booty, without any risk from the laws. Are we to be prevented from counteracting such a system by any contemptible unsupported charges against our motives, made under the watchwords, continental police, *espionage, surveillance?* With a watchful and all-searching press, can any fair man of sense apprehend, that a single hostile act will, under this system, be practised against

the liberty of the subject? Is not the actual danger, lest this bugbear of arbitrary rule should drive us at last to submit to, or flee from, the iron sway of bold, artful, confident, organized villany?

An organized system of robbery and fraud, which acts in secrecy and darkness, with signs and terms known only to the initiated, and the knowledge of which is kept with masonic fidelity, can be counteracted by no other means, than that of a vigilant, responsible, efficient police: and its power to act with promptitude and energy must be in proportion to the audaciousness, success, and impunity of the marauders. If no improvement be made in our currency and fiscal and pauper affairs, and if a rational preventive police be not established; crime will march onward, till its insinuating agents enter all our public carriages, our public rooms, and our places of worship;* they will seduce the fidelity of our servants; till the frank and confiding spirit of an Englishman will be changed into one of hateful suspicion. And we shall move about with a feeling like that which men have on the continent, when they know, that the man who serves at their table may be a spy in the pay of an arbitrary and irresponsible minister.

When, by the varying wants of men in civilized life, changes are introduced, which lead silently and gradually to extensive consequences, they may produce

* This is fully borne out by the circumstances which accompanied the robberies of the Ipswich, the Warwick, the Ledbury, and other bankers.

evil or they may produce good to the community on the whole. If the changes be great, particular classes will undoubtedly sustain injury, and that injury becomes very embarrassing to the Government. Men of the bureau, whose minds are never directed to examine cause and effect in the scenes of active life, suggest palliatives and temporary expedients. Men of bold and comprehensive minds, survey the magnitude of the evil, and apply a commensurate remedy, by adapting the laws to the altered circumstances. If the change flow from the working of all-powerful necessity, and they perceive that, though the change inflict local evil, general good will arise from it; they decline all interference.

The change from tillage to pasturage, which took place in many of the old cultivated parts of England, in the reign of Henry VII. is unquestionably a circumstance which had great influence, in producing that state of substantial comfort and well-being, which the yeomen and farmers and their servants enjoyed in England, till within the last twenty years: but it was an appalling event to the statesmen of that and the succeeding age, as our statutes prove. The poor soils in the south of England had been generally cultivated; and it is this circumstance, the mark of the plough remaining among sheep-walks, which has occasioned a belief that the country parts of Hampshire, Wiltshire, Dorsetshire, &c. contain fewer people now than they did three hundred years ago. No doubt, if sheep had not been generally introduced, and if tillage-culture had been more and more extended,

when Raleigh brought his ugly root from America, nothing but poor-laws and the wants of the barons and gentry in England, France, and the Netherlands, could have prevented the country people of England descending into a state of poverty and wretchedness, resembling that of the people of Ireland at the present day. But sheep were wanted for their wool; woollen manufactures rose in parts of Wiltshire, Dorsetshire, and Devon, where now scarcely a shuttle is heard; and England advanced in civilization and prosperity. It was, however, a prosperity accompanied with great suffering amongst the existing race of labourers in husbandry, as many Acts of Parliament and the writings of learned men testify. The following is the preamble of an Act passed the 4th of Henry VII. c. 16.

"For as much as it is to the King our sovereign lord great surety, and also to the surety of this realm of England, that the Isle of Wight, in the county of Southampton, be well inhabited with English people, for the defence as well of his ancient enemies of the realm of France, as of other parties, the which isle is lately decayed of people, by reason that many towns and villages have been beaten down, and the fields ditched and made pastures for beasts and cattles; and also many dwelling-places, ferms and fermholds, have of late times been used to be taken in one man's hold and hands, that of old time were wont to be in many persons holds and hands, and many several households kept in them, and thereby much people multiplied, and the same isle well inhabited, the which now, by

the occasion aforesaid, is desolate and not inhabited, but occupied with beasts and cattles," &c. &c.

The alarm which was raised in the minds of men, the most enlightened of that period, by the opening of a new source of national wealth, in changing some of the old tillage lands to pasture, is pathetically and amusingly described by the great Sir Thomas Moore.

"Your sheep that were wont to be so meek and tame, and so small eaters, now, as I hear say, be become so great devourers and so wild, that they eat up and swallow down the very men themselves. They consume, destroy, and devour whole fields, houses, and cities."

* * * * * * * *

"Therefore, that one covetous and unsatiable cormorant, and very plague of his native country, may compass about and enclose many thousand acres of ground together, within one pale or hedge, the husbandmen be thrust out of their own; or else either by covine and fraud, or by violent oppression they be put besides it, or by wrongs and injuries they be so wearied that they be compelled to sell all."—"And when they have wandered abroad till that be spent what can they then else do but steal, and then justly perhaps be hanged, or else go about a-begging?—And yet then also they be cast in prison as vagabonds, because they go about and work not: whom no man

will set at work, though they never so willingly proffer themselves thereto; for one shepherd or herdsman is enough to eat up that ground with cattle, to the occupying whereof about husbandry many hands were requisite."

These extracts prove, how incompetent the great men of that age were to comprehend the causes of the change which they witnessed. Science has diffused its light for our guidance. Our difficulty will not arise from want of comprehending the causes, but from want of courage to apply an adequate remedy.

The affairs of men, in great nations, are constantly liable to be powerfully wrought upon by trivial circumstances unobserved, or unappreciated by the great and the powerful. On the other hand, generations may pass away without leaving any mark of change. Statesmen, if no such causes operate, may rise, rule, retire into privacy, and repose in their graves; and leave the young men who are stepping into manhood, in the same habits and circumstances as those which surrounded their sires. After the political commotions which marked the seventeenth century, the minds of men were little given to speculations in physical, mechanical, or commercial science. We reposed in dead calm; and, during the period from the revolution to the reign of George III. the people thought only of the spectre of a Pretender to the throne. The victories of Marlborough gave firmness to the dynasty, which succeeded that of the Stuarts, and the political affairs of the nation went on in quiet prosperity. In regard to those causes, which produce great effects on

the habits and manners of the people, we witness no change. Society presented one scene of unvarying sameness. The South-Sea bubbles agitated and amused for an hour, and then dissolved, like their prototype, leaving no permanent trace of their existence. In France, nothing but the general and notorious political events marked the course of the eighteenth century, except the attempt of Mr. Law to introduce a wild and monstrous sort of Scotch banking into that kingdom. The Mississippi wonders, by throwing society into convulsion, and agitating the minds of men, may have contributed to raise up that active intellectual spirit which made the philosophers search into the principles of government, and expose the vices of their rulers. But Mr. Law wrought no permanent change in society. He failed from his wildness to produce, by the introduction of banks and paper money, any of those wonderful permanent effects in France, which we have witnessed in England and Scotland, from the checked, regulated, and gradual introduction of the principles of banking and credit throughout all the classes of the community.

The case was far different in England. I am not thinking of those great signs, by which historians mark the course of time.—Walpole might have intrigued;—Chatham might have thundered;—Burke have astonished,—and Wilkes have raised the mob in vain. If such causes as were connected with their actions had alone been in operation, England, in the year 1800, had been like England in the year 1700. But Watt struck his anvil;—the potatoe grew in Ireland;

—the banker strewed his notes: these, a pair of swarthy hands, an unsightly root, and a bit of dirty paper, have created all the wonders of the past, and all the difficulties of the present time. Are their effects beyond our control? A little subtilized earth, steam, nitre, air, water, are terrific in the hands of the unskilful: our danger arises either from the apathy of our minds, or the absence of knowledge, boldness, wisdom, and energy, in applying just laws to control the new combination of circumstances.

The inventive speculations of Lord Worcester were buried in obscurity for a century, when men of inferior minds became great by borrowing the lights shed by his genius. The true principles of banking and commerce were partially known, but they were scarcely developed in their wonderful effects till the last reign. The affairs of the corporated companies, the Bank, and the merchants trading to the east, marched on, without change, under regulations as unvarying as the laws of a German principality. When George the Third began to reign, the mercantile and manufacturing energies were scarcely more extended in England than in France or Holland. Before that king ceased to reign, we witnessed many of the manufacturers of England deriving incomes created by their skill, which exceeded in amount the revenues of some of the sovereign princes of Europe; and we saw our provincial merchants rivalling in wealth and the magnitude of their traffic the illustrious house of Medici, when it monopolized all the trade of the east. When Napoleon marched upon Moscow,

a trader of Manchester had so much of one costly material in that city, as made him require fifteen hundred carts to convey it to a place of safety.

The earth groans with the wealth created during the last fifty years by our skill and industry, yet we are embarrassed and filled with apprehension for the effects of existing and extending misery. We know that, in the pauper and criminal part of the population of these islands, we have a cancerous disease, which will undoubtedly spread over the whole frame of society. Nostrums and palliatives are useless; the disease will increase under their application. You must first proceed with unshrinking resolution to eradicate it; and, when the body is again restored to health, prevent its recurrence.

Great though we be in science and in letters, and much as they have contributed to place us on a pinnacle amongst nations; science and learning, in this stage of their advancement, have not been unattended with evil. They have made all public men timid and fastidious. Moral courage sinks before an expert critic. To *seem* and not to *be* is the limit of ambition. Therefore this is eminently the age of pettiness in action. We are overlaid with knowledge by professors; lecture upon lecture, speech upon speech, here an essay and there an essay, we sink under the volumes of the wise. We dare not attempt to be bold in action to any great purpose, lest we encounter the sarcasm of the oral philippic, the contempt of a *leader*, or the scorn of a rare and *far-between* periodical.

In the present circumstances of England we require a Minister who can see with clearness, devise with wisdom, execute with promptness, keep on his course amidst obstacles, persevere through difficulties and deferred success, to accomplish a great end. The events of your Lordship's life inspire us with hope, and we confidently trust that we have now a Premier possessed of these qualities.

I have the honour to be,
My Lord Duke,
Your Grace's most faithful
and obedient servant,

AN ENGLISHMAN.

MARCHANT, Printer, Ingram-Court, Fenchurch-Street.

LINES of the MOORSHEDABAD PROVINCIAL BA
The Magazine
Mr Trave's house

AN

APPEAL

TO THE

BRITISH NATION,

AGAINST

The Honourable the East India Company.

BY

CAPT. WILLIAM WHITE,

LATE OF THE FIFTEENTH REGIMENT OF BENGAL NATIVE INFANTRY, AND COMMANDING THE PROVINCIAL BATTALION OF MOORSHEDABAD.

ACCOMPANIED WITH

A PETITION

PRESENTED TO

THE KING,

AND

HIS MAJESTY's COMMANDS THEREON.

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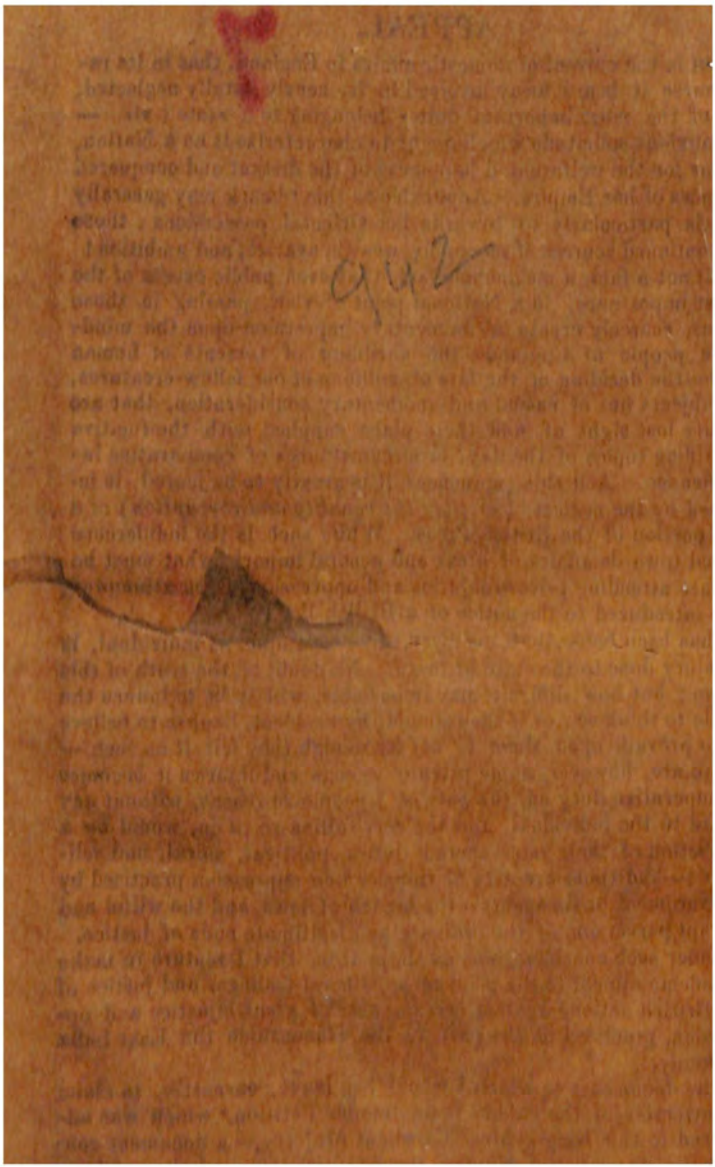

APPEAL.

Such is the current of domestic affairs in England, that in its rapid course it bears away involved in it, nearly totally neglected, some of the most important duties belonging to a state; viz. :— that anxious solicitude which ought to characterize it as a Nation, anxious for the welfare and happiness of the distant and conquered provinces of her Empire. Applicable as this remark may generally be, it is particularly so towards her Oriental possessions: those long continued sources of monopoly, wealth, avarice, and ambition!

Is it not a fact, a melancholy fact, that even public events of the utmost importance, in a National point of view, passing in those regions, scarcely create a momentary impression upon the minds of the people of England—the shedding of torrents of human blood—the deciding of the fate of millions of our fellow-creatures, are subjects but of casual and momentary consideration, that are speedily lost sight of, and their place supplied with the fugitive and trifling topics of the day, or circumstances of comparative insignificance. And this supineness, it is greatly to be feared, is increased by the neglect, (*possibly the venality and corruption*) of a large portion of the British Press. While such is the indifference evinced towards affairs of great and general import, what must be the fate attending private injuries and oppressions when attempted to be introduced to the notice of a British Public?

It has been held, that an injury practised upon an individual, is an injury done to the state at large. No doubt of the truth of this axiom; but how difficult, nay impossible, will it be to induce the public to think so; or if they should, by accident, happen to believe it, to prevail upon them to act as though they felt it as such.— There are, however, some private wrongs and injuries it becomes an imperative duty on the part of a people to resent, without any regard to the individual, and the very failing so to do, would be a dereliction of their most sacred duties, political, moral, and religious;—and those are acts of violence and oppression practised by a government or its agents—the breach of laws, and the wilful and corrupt perversion of the ordinary and legitimate ends of justice.

Under such considerations as these it is, that I venture to make my solemn appeal to the good sense, liberal feelings, and justice of the British nation, against certain acts of great injustice and oppression, practised on the part of the Honourable the East India Company.

The documents to which I would beg leave, earnestly, to claim the attention of the public, is an humble Petition, which was addressed to the King's Most Excellent Majesty,—a document containing a statement of facts of the most wicked and shameful nature, atrocious in themselves, and any thing but creditable to the Government of the country in which they were perpetrated; but

rendered the more abominable by the subsequent acts of the Government themselves. The facts were urged to the King, as the chief and supreme authority of these realms, presuming that all and every part of the British Empire was subject to His Majesty's authority, and that when all other channels for redress of grievances failed, that His Majesty could, and would, be graciously pleased to command, that a solemn investigation should take place into the causes of complaint. The following letter will shew that those expectations were not altogether fallacious :—

"*Whitehall, April 28th*, 1827.

"Sir—I am directed by Mr. Secretary Peel to acquaint you, that your Petition, praying that your case may be investigated, having been laid before the King, has been transmitted by His Majesty's Command for the consideration of the Commissioners for the Affairs for India, to whom all further communications from you upon the subject must be addressed, &c. &c.

"H. Hobhouse."

The tenor of this letter certainly indicates the gracious intention of His Majesty to comply with the prayers of my Petition, for a public investigation into the transactions set forth; but the Board of Control thought otherwise, or else they disregarded the commands of the King, as the following letter will shew :—

"*India Board, May* ——, 1827 (*received May* 5.)

"Sir—Mr. Secretary Peel has transmitted to the Commissioners for the Affairs of India, your late Petition to His Majesty, with a desire that the Board would acquaint you with their decision thereon.

"I am directed by this Board to apprise you, that as you were removed from the East India Company's service by the Court of Directors, in the exercise of a power in this respect reserved to them by the 33d Geo. III. c. 52. s. 36, the Commissioners do not conceive that either this Board or any other department of His Majesty's Government have any authority to interfere with or question such a decision.

"Under these circumstances, the Board do not think it necessary to express any opinion upon the merits of your case.

"T. P. Courtenay."

This letter from the Board of Control, is a no less singular than important document; it demonstrates, to a nicety, the power and utility of that Board, and the necessity for some immediate interference on the part of the legislature to strengthen the hands of the Crown, and to check the authority of the East India Company.

Many important observations might be offered upon the letter of the Board of Control; and I trust they will be made with more effect by abler and better pens, in a more convenient and proper channel. One observation, however, I will make. It appears, that the Directors of the East India Company have at all times the power, and under any circumstances, of dismissing their officers from their employ; and that the propriety, or justness, of the dismissal, cannot be "*questioned*" either by the Board of Control or any other department of His Majesty's Government. In short, that there is no appeal against the despotic acts of the Directors. I

say, no appeal, because the Proprietors of East India Stock, from their wilful neglect and disregard to applications for redress, and the East India Directors, are one and the same thing. The former evince little else than a readiness to receive their dividends, and a desire to obtain a portion of the patronage of the East;—while the latter take care to grant it, in such proportions, and in *such quarters*, as will secure a majority of votes upon every occasions; and by these means an appeal to them, is like an appeal to the winds; they heed it not; they know that by their silence they best promote their own interests, and secure the power of their Directors; and by these means, without appearing to countenance the conduct of their Governors or Directors, they tacitly sanction and approve of any thing, and every thing; and if occasion should require, at a General Court myriads of voters appear to support and confirm any measure and every act; and to laugh and cough out of Court the more honest and honourable men, who would venture to espouse the cause of justice, truth, and virtue.

It cannot be doubted for a moment, but that the powers "*expressly reserved to the Directors*," by the 33d Geo. III. cap. 52. s. 36. are extremely injudicious, and very dangerous to entrust in the hands of the representatives of a Company of Merchants; because they can, and may be, at all times, and upon all occasions, exercised for the worst and most abominable of purposes, as well as that of the more legitimate and salutary one, of punishing refractory or bad subjects. Hence arises a serious and monstrous evil; for it matters not why or wherefore such powers have been exercised, what circumstances may have preceded or led to it, it is enough that it has happened: for by it, it precludes "*either the Board of Control or any other department of His Majesty's Government*" *interfering*; and by these means full and perfect impunity is at once given to any, even if they were the most desperate and wicked transactions that ever disgraced any government, or country, on the face of God's earth. It follows, that when the East India Directors have a wish to suppress any complaints that have been disregarded by themselves, and their officers are determined to offer to a higher tribunal, or they have relations or favorites of their own to screen from the vengeance of the laws which they may have outraged, or the despotic acts of their governors to support, they have only to dismiss from their service the unfortunate man who dares venture to oppose their SOVEREIGN will: and by this unrelenting and vindictive measure, under the sanction of the broad and stupendous shield of an "ACT OF PARLIAMENT," they effectually suppress the most nefarious of proceedings, set at naught the feeble efforts of an individual struggling to obtain that justice, protection, and redress, which ought to be administered to him as freely as the air of Heaven—they add insult and degradation

to injury and oppression, trample upon all the laws, human, moral, and divine, and set even the very King himself at defiance.

By way of illustration, I will put a case; and which, dreadful as it is, is not altogether pretended:—A civilian, high in rank, powerful by connections, filling the very important situation of RESIDENT at the Court of a powerful Native Prince, who subsidises several thousand British troops, directs the punishment of a soldier belonging to one of the Prince's own regiments. The civilian orders the drummers of His Majesty's regiment on duty at the station to inflict the punishment, himself superintending it. The surgeon of the station, in attendance, interposes; declares the man incapable of enduring more stripes, and that he will expire under them. The civilian disregards the interference of the surgeon, and replies, "*That is my look out!*" The flogging proceeds; the man at length is cut down, but life is extinct—he is a corpse! The circumstance is reported to the Supreme Government, say by the surgeon; the Government instantly supersedes the Resident by a civilian of high rank, (no less a personage than their Chief Secretary) with instructions to investigate into the affair. A Court of Inquiry assembles for the purpose; but pending their proceedings, the Government allow of the late RESIDENT to embark for England with a splendid fortune (£800,000!) The civilian reaches England in safety, purchases a splendid estate, and becomes a large Proprietor of India Stock. After a length of time has been allowed to transpire, to forget the wicked affair, the proceedings of the Court of Inquiry are transmitted to England—are deposited in the archives of Leadenhall-street; and here the transaction ends!

Much has been said, much has been written by philanthrophists on the subject of flogging of slaves. Inhuman, barbarous, and disgusting as the practice is; and notwithstanding all the hideous circumstances that has ever been known to attend it, what parallel could there be drawn for magnitude of atrocity, between an angry and unrelenting negro driver, and such a servant of the East India Company?

Now, by way of hypothesis, let us suppose, that the surgeon who happened to remonstrate with the RESIDENT, should have gone a little further, and ventured to remonstrate with the Government, for their aberration of duty, in failing to cause the Resident to be arrested and delivered over, according to the law of the land, to the judges of His Majesty's Court of Judicature, to take his trial; and further, for permitting him to embark for England with such a crime pending over his head; supposing that the Government should have got angry with the surgeon, punished and disgraced him, for his presuming to remonstrate with them; supposing that the surgeon should then have appealed to the Court of Directors, and, according to their *Bye Laws*, awaited in India their decision upon

the merits of his appeal, and which decision is protracted for several years, but when it reaches India, it is found to contain a severe philippick against the surgeon; supposing the surgeon should then dare venture to appeal a second time, and support his appeal in person? Why, by the very act of coming to England, *pending* an appeal to the authority of their Majesties of Leadenhall, the surgeon, according to their *Bye Laws*,* stands to be dismissed from their service; and the Directors, in such a case, have only to enforce the penalty of their regulations, and by virtue of the dismissal, "*neither the Board of Control, nor any department of His Majesty's Government*," could interfere in the transaction.—But, to go a little further—supposing the Directors, somewhat apprehensive of the consequences attending such a dismissal, under such circumstances, lest the surgeon should take the LIBERTY OF THE PRESS to make his case known, should hesitate to enforce the penalty of the *Bye Laws*, and by these means endeavour to compound the felony: but supposing the surgeon, regardless of personal considerations, should still persist in discharging his duty to his God and his Country, and require from the East India Directors that they should come forward and support the laws, and as the responsible powers, with the necessary vouchers in their possession, cause justice to be done; supposing the Directors should still persist in silence, and the surgeon finding that all his efforts fail, should resign their service, announcing his resolution to appeal to a higher authority—why, all that the Directors would have to do in such a case, would be, instantly to stigmatize the surgeon's character with dismissal from their service, antedating the dismissal (as they did mine, p. 58) some months prior to the date of his resignation, and here the transaction would end; the surgeon would be effectually branded, ruined, and shunned—while the murderer would escape with impunity, and be courted and caressed!

Under such a sad perversion of laws, under such judges and jurors, what man's character, life, or fortune, could be safe. If such a system should be discovered to exist, what man will there be found bold enough to discharge his professional duties, (to say nothing of his moral and religious obligations,) when ruin and destruction, the inevitable consequences, are with such unblushing effrontery, staring him full in the face?

The hypothesis shows to what an extent the laws, as they now stand, may be perverted for the purpose of suppressing the ordinary ends of justice, to screen delinquents, and give impunity to crimes of the deepest turpitude; laws, that, when framed, were never contemplated, even as a bare possibility, of being exercised for such base and abominable purposes, but which can at all times be used, by wicked and designing men, as a scourge to mankind and the ruin of a state.

But the further we look, the more apparent the evil becomes, the greater the danger, and more impolitic the measure of investing the representatives of a Company of Merchants with such monstrous powers, whose relations, dependants and friends, occupy the most lucrative and responsible situations, as well as discharge the important functions of judicature in those regions. It becomes a grave and serious question, requisite for the honour of England, for the welfare of India, as well as for the safeguard of every officer and subject under the Company's control, whether any time should be lost in modifying, or repealing the act of the 33d Geo. 3. c. 52. s. 36. as also of annulling the oppressive and unjust *Bye Laws* of the East India Company, regarding officers proceeding to England pending an appeal to their MAJESTIES of Leadenhall!—Regulations that must at once be condemned, because they are calculated to impede and frustrate the ends of justice; the object of all good laws and well designing governments.

While thus appealing to the integrity of the British public, and solemnly protesting, in the face of the whole world, against the cruel and shameful conduct of the East India Company towards myself, I am free to confess that I am not actuated from any personal or selfish motives. I fear that I have nothing to hope or expect at their hands; while, on the contrary, I have to anticipate censure and condemnation from many, and a decided increase of animosity, hatred, and revenge, on the part of my powerful and wealthy opponents, little calculated to promote my future welfare or happiness in life. But I throw myself upon the liberal consideration of my country. I appeal to the nation, with a hope that some public good may result by the exposure. The transactions are fit and proper to be made known, however unpalatable it may be to some authorities; the knowledge of them may stimulate inquiry, and inquiry may be productive of the most beneficial effects towards the future welfare of India; the many abuses and vast defects of the present system of administration will then become apparent; and soon will be discovered the absolute necessity of reducing the power and patronage of the Company, and encreasing that of the Crown.

W. WHITE.

"*The Times*," of the 30th of Oct. last, while noticing my Appeal to the British Nation, complains of the want of "*Evidence*" by which my complaints of ill-usage against the East India Company *are supported.* The Editor of a Weekly Newspaper has ventured to assert: "from all that we have been able to learn in the course of our inquiry, as well as from personal intercourse with men of intelligence and integrity, who were in India at the time referred to in these transactions, we have reason to believe that this case of Captain White's would bear investigation, better than his own statements would lead the reader to infer."

To the Editor of the former Journal, I bow with submission; and I thank him for pointing out the deficiency in time, to enable its correction. The latter Journalist may possibly indulge me so far, as to state any thing, and every thing, he has heard; and confront the unanswerable truths, and documents subjoined.

Those observations lead me more explicitly to dwell upon the origin of my complaints, and to enter into a detail of matter foreign to the subject of my grievances; but still so illustrative of the conduct and character of the individuals opposed to me, that I feel it absolutely necessary, towards my justification, clearly to expose the general tenor of their public acts.

My complaint of ill-usage from the East India Company, is founded upon the following scandalous, and most infamous libel; written for the worst and basest of purposes:—

SIR, *July* 12th, 1818.

"The Commander-in-Chief has attentively perused the proceedings of the Court of Enquiry, which investigated the charges against Mr. Wray.

"It appears to His Lordship, that you encouraged in individuals of the Battalion then under your command, the monstrous supposition that a British gentleman had, without provocation, intentionally fired at them.

"His Lordship would lament to think otherwise of you, than, that the imputation must have been incredible to yourself; yet, instead of attempting to do away misapprehension respecting the accident, as every moral and professional duty demanded, you perseveringly aggravated the irritation, and advised the offended parties to make depositions before the Magistrate, which are strongly tainted with a presumption of perjury.

"The Commander-in-Chief is pleased to remove you from the Adjutancy of the Moorshedabad Provincial Battalion, and to order that you do immediately repair to resume your duties in the 2d Battalion, 5th Native Infantry. JAMES NICOL, Adjutant-General.

The proceedings of the Court of Inquiry, held upon the conduct of Mr. Wray, are, unequivocally, declared to contain the evidence by which the facts of my supposed delinquency were collected. My guilt must therefore be established by those proceedings;—or, otherwise, I presume, I am entitled to an honorable acquittal. A Copy of the Court of Inquiry I herewith subjoin; and I boldly defy the utmost ingenuity of the bitterest enemy I have to shew from

them, that they contain any matter that can, in the remotest degree, tend to implicate me in any such conduct as set forth in the Adjutant-General's letter; or that can possibly justify such base and infamous conclusions.

I would here earnestly entreat for an attentive perusal of the complaint as preferred to me (Appendix A,) by the Native Officers of the Moorshedabad Battalion against Mr. Wray.—Mr. Wray had seen the Native Officers seated in their house; and he had, in the most unwarrantable manner, ordered them to get out, or quit it;—and without troubling himself any further, he fired into the house and severely wounded three of his fellow creatures, previously seen and warned. When they remonstrated with him for his conduct, he cocked the remaining loaded barrel of his fowling piece, levelled it at the breast of a man, standing before him with twenty-six gun shot wounds, in his face and breast, and threatened to shoot him.

As Commanding Officer of the Corps to which the wounded men belonged, no one, I presume, will attempt to question, that it was my duty to receive their complaints—and to adopt proper measures to cause the circumstances complained of to be investigated. I had no concern with the truth or falsehood of the complaint, and did not instigate, or "*encourage*" the parties to prefer it. By directing the Serjeant-Major to reduce it to writing according to the statement of the parties themselves, and in the plain language of the Serjeant, I evinced becoming impartiality.

If Mr. Wray had been desirous of allaying the irritation which his conduct had excited, he would not have left the scene of injury, without offering atonement to the parties wounded. The Serjeant-Major, before the Court of Inquiry, positively denied that Mr. Wray expressed any concern for the accident: on the contrary, that he examined their wounds, and said, "*they will be no worse than they are:*" and when the natives told him that they should complain, he replied—"*Let them complain, my name is Doctor Wray.*"

If Mr. Wray in the distress or agitation of the moment, omitted to express his regret for what had happened, it was his duty when he returned home to his house to have written and acquainted me of what had occurred; and if he had been sincerely sorry, he would have offered to make a proper atonement.—But he would not, and did not condescend, directly or indirectly to communicate with me on the subject. I was therefore left to form my conclusion of the transactions from the complaints of the wounded men, and the testimony of those who described his mis-conduct. I was bound to give credit to the statement, and to forward the complaint for public investigation.

Before, however, I adopted any official measure, in the hope that Mr. Wray might be prevailed upon to make some atonement to the

feelings of the Subedar, and the other persons wounded; and unwilling to communicate directly with Mr. Wray on this delicate subject, I caused it to be intimated to Mr. Wray, that if he would express his concern for what had happened, I would exert myself with the wounded parties, to prevent any further proceedings. The communication was actually made to Major Broughton, the immediate Commanding Officer of Mr. Wray. The circumstances were mentioned; but when the matter was noticed, Major Broughton laughed at the transaction; observed that he had heard of it before, and had spoken of it to Mr. Wray, "*Who had declared it to be a falsehood.*" The Major added—"it was of no consequence and would blow over like smoke!"

It will be perceived from the foregoing facts, the situation in which I was placed. A Subedar, and two respectable Non-Commissioned Officers, of the Battalion under my command, had appeared before me wounded and bleeding, with several shots in their bodies. They complained that they had been wounded by an European gentleman, while sitting quietly in their own house, within the lines of the Battalion. They declared that when they remonstrated with him, he had added insulting language to their previous injury, and had actually presented his gun, threatening to fire again at one of them!

The report of the Serjeant Major afforded no circumstance, or language, in the least degree explaining or extenuating Mr. Wray's conduct. When I caused the matter to be communicated to Mr. Wray's Commanding Officer, and offered to act as a mediator, my offices were repudiated, and the whole transaction treated as fabulous, and Mr. Wray's denial of all the circumstances was boldly asserted. Thus situated, if I had neglected to receive and forward a complaint so serious, and so aggravated, and if such neglect had afterwards been represented to the Commander in Chief, I must have not only been declared unfit to have any charge of a military body, and incompetent to fulfil the duties with which I had been intrusted, but totally unworthy of the service. Did I violate my "*Moral and professional duty*," by receiving the complaint? or was it by sending to Major Broughton, and offering my services as mediator, that I "*perseveringly aggravated the irritation*?"

Having failed in my efforts to obtain from Mr. Wray such concessions as were calculated to appease the wounded parties, and to induce them to forego their complaint, and being urged by them to obtain an investigation of the outrage, I considered it to be my duty to forward the complaint to the Magistrate of Moorshedabad, and I accordingly, addressed the following letter to that officer, accompanying it with the complaint which had been reduced to writing by the Serjeant Major:—

"It is with extreme regret I have to trouble you with the accompanying complaint, preferred by Mayput Sing Subedar; Agaib Sing Havildar, Ma-

jor, and Roudee Sing, Court Havildar, of the Battalion under my command, against Mr. Wray, an assistant Surgeon of the Honorable Company's European Regiment at Berhampore, with a request that you will take whatever steps you deem necessary to redress the complainants.

"The injury sustained is trifling from the shot; and I am assured by the complainants, that they would readily have submitted to it as an accident, but for the subsequent abuse and threats. The Subedar has presented me with a paper, which I have the honor to send you, containing 195 shots, which have been picked off his cot.—Oct. 8, 1817."

It will be observed, by the foregoing letter, that I did not in any manner exaggerate the complaint, or attempt to give the transaction a higher colour than it appeared to deserve; but, on the contrary, I remarked, that the complainants would readily have submitted to their personal sufferings, considering the wounding to have been the result of an *accident*, if Mr. Wray had not subsequently resorted to abuse and threats.

Up to the period of forwarding the complaint to the Magistrate, it will be seen that no charge had been made of Mr. Wray's "*having intentionally fired at them.*" It was, therefore, impossible that I could have encouraged them in a "*monstrous supposition,*" that had never for a moment been entertained. How could an "*imputation,*" that I had never heard, have, "*been incredible*" to myself; and how was it possible for me "*to attempt to do away misapprehension.*" respecting an accident, before I was aware that misapprehension had taken place.

On the same day, the 8th of October, that I forwarded the complaint to the Magistrate, I received from him the following reply.

"I have been favored with your letter of this date, and its enclosures, and beg to inform you, that prior to any steps being taken by me, it is indispensable that the circumstances related in the paper presented to you, should be deposed upon oath before me; it would be necessary to examine the evidence and to ascertain the origin and particulars of the case, before I take any decided measures against Mr. Wray, the charges being of a most serious nature; and I cannot reconcile it to my mind that any gentleman can be capable of such outrages. At all events, I feel convinced that some great provocation must have been given, to occasion a person to act in a manner so very extraordinary.

"Under these circumstances, I beg you will direct the parties, with their evidence, to attend to-morrow, or any day you can best dispense with their services: it will, also, be essential that Serj. Mc. Coy, accompanies them.—*Fendal Baug*, Oct. 8."

The Magistrate had, at once, promptly decided on the innocence of Mr. Wray, and doubted the truth of the statement which had been transmitted by me. It is also observable that, tho' Mr. Loch declared the charge to be "*serious,*" he did not at that time consider the complaint to be of a capital nature; nor did it convey

even to the mind of the Magistrate, any "*imputation,*" that Mr. Wray had "*willfully and intentionally fired*" at the wounded officers.

It will be seen, by the Magistrates letter, that *he at once required* that, the Native Officers should "*depose upon oath before*" him—for it was "*indispensable*" that the circumstances related in the paper presented to me should be so; and he further commanded, that they should be "directed with their evidence to attend," on the following day, for that purpose.

The fact is clearly established that the taking of depositions, was a gratuitous and spontaneous act of the Magistrate. I had nothing whatever to do with it. When forwarding the complaint, as prefered to me, there was no charge of "*intentionally firing at them.*" I had not advised the "*parties to make*" any "*depositions before*" the Magistrate whatever; still less those that Lord Hastings declared, were tainted with perjury. The Officers went before the Magistrate to prove the truth of their complaint as preferred to me. If, when upon their oaths, the Native Officers exaggerated it, or charged Mr. Wray with having "*wilfully and maliciously fired at them,*" it was the bounded duty of the Magistrate to have instantly apprised me, as their Commanding Officer of it—it was his duty to have arrested Mr. Wray for the Felony he stood charged with; and lastly, to have protected the Native Officers from further insult and injury.—But as he did not, and the Native Officers subsequently denied that they ever made such a charge—and even when before the Court of Inquiry delare, that they "*could not say whether Mr. Wray fired intentionally at them or a bird,*" though the Magistrate has subsequently sworn (but at first resisted taking the oath) with reluctance to the fact, the presumtion is, strongly in favor of the Native Officers, and against the Magistrate.

The parties complaining had never seen Mr. Wray before the day of the accident; they had no enmity to gratify, and could not have been actuated by any feelings of hostility, save that which had been occasioned by the abuse and threats, which where the subject of investigation. They had verified by their *Oaths* the truth of their allegations; and it was not lightly to be presumed, that men who had no motives for preferring an unfounded complaint, would have wantonly and gratuitously committed the crime of Perjury.

But instead of arresting Mr.Wray, the Magistrate made him acquainted with the particulars of the depositions lodged in his office against him; and Mr. Wray, availing himself of this liberty, twice afterwards returned to the identical spot, the scene of his former imprudence, and insulted the Officers by standing at the very threshold of their huts, loading and firing off his piece repeatedly in the air. These occurrences were reported to me, and complained of by

the Native Officers; and I addressed the Magistrate the following letters on the occasion :—

"Oct. 10, 1817.

"After the accident reported to you, of the evening of the 7th, it was but reasonable to suppose that Mr. Wray would have avoided a chance of a repetition. I am sorry though to say, it has been reported to me, that Mr. Wray was yesterday evening firing several shot closer to the house than on the former evening. Further, that Mr. Wray had thought proper to call for the Havildar-Major, and directed people, (Sepoys) to conduct him, Mr. Wray, to the man's house.

"The impropriety of this line of conduct being too obvious, I have, for the present, simply to beg the favor of your addressing Colonel Pine, the Commanding Officer of Berhampore, to request that he will prohibit any Officers shooting again, or upon any pretence visiting the lines of the Moorhedabad Provincial Battalion.

"W. White, Commanding M. P. B.

"To W. Loch, Esq."

"Oct. 14, 1817.

"I did myself the honor on the 10th to address you, requesting your writing to Colonel Pine, on the subject of Officers shooting in the lines.—I have this day had another complaint preferred by Mayput Sing, Subedar, of Mr. Wray having been again shooting last evening in the lines, and that the shot fell upon his house. That he desisted from speaking, as did also the other Natives, from a conviction, it could only have proceeded from a desire to create words.

"As I consider it to be my duty to preserve the security of the men in the lines, I beg leave to inform you, that I have posted sentries to prevent a possibility of its again occurring I beg leave further, through you, to intimate the same to Colonel Pine, commanding at Berhampore, to prevent any unpleasant circumstances arising; and which might take place by an attempt to shoot there again.

"W. White, Commanding M. P. B.

"To W. Loch, Esq.

Station orders were now issued by Colonel Pine, commanding at Berhampore, to prohibit his Officers from again proceeding to the Lines of the Battalion *to sport*.

If the depositions of the complaining parties actually contained a capital charge against Mr. Wray, nothing could be more disgraceful to the Magistracy of Moorshedabad, than to have allowed him to remain at liberty to pursue his sport on the very spot where he was charged with wilfully shooting at, and wounding three of the Native Officers, in the service of the Honorable the East India Company.

But the Magistrate, instead of arresting Mr. Wray, as it was his bounden duty to have done if such a charge had been made, and sending him to take his trial before the Supreme Court, at the next Sessions;—"at the request of Mr. Wray," transmitted the proceedings which had been instituted before him in his civil capacity, to Colonel Pine, commanding at Berhampore, for *his "consideration," with a request* that *"a public enquiry might be made into the matter."*

To Colonel Pine, commanding at Berhampore.

SIR—The accompanying papers relate to an affair which occurred some days ago, in which Mr. Assistant Surgeon Wray, of the Honorable Company's European Regiment, is chiefly concerned.

The circumstances stated in these papers have been communicated to Mr. Wray, and it is now at his request I submit them for your consideration, and that a public enquiry may be made into the matter.

Your obedient Servant.

City of Moorshedabad, 16th of October, 1817. W. Loch, Magistrate.

Colonel Pine, according to the suggestion of the Magistrate, and the request of Mr. Wray, hesitated not a moment to institute a Court of Inquiry, perfectly regardless of all the consequences and penalties attached to such a proceeding, by the Mutiny Act.

Mutiny Act, Geo. III. Cap. 35.

"And be it further enacted, that if any Officer, non commissioned Officer, or soldier, *shall be accused* of any violence or offence against the person, estate, or property of any of his Majesty's subjects, which is *punishable by the known laws of the land*, the *Commanding Officer* of every regiment, troop, or party, is, and are hereby required to use his and their *utmost endeavours* to deliver such *accused* person to the *Civil Magistrate*; and in *event* of their *neglecting to do so*, upon being *convicted* thereof, he shall *be deemed*, and taken to be ipso facto *cashiered*."

But in the case of Mr. Wray, the order of things was incredibly inverted;—instead of the Commanding Officer delivering over an Officer charged with a capital offence, duly sworn to before a Magistrate, we find the Magistrate "*delivering*" the accused Officer over to his Commanding Officer.

Flagrant a violation of the law as it was, it was highly approved of by the Marquis of Hastings—that, too, after the Vice President in Council had *refused* to look at the illegal proceedings of the Court of Inquiry, as appears by the following letter addressed to Mr. Loch:

"*Judicial Department*) I am directed by the Honorable the Vice President in Council, to acknowledge the receipt of your letter of the 15th ultimo, submitting a copy of the proceedings of a Court of Inquiry at Berhampore, and of your correspondence, connected with the charge preferred against Mr. Assistant Surgeon Wray, of having wounded some individuals belonging to the Provincial Battalion of Moorshedabad.

With reference to the *nature* of the complaint preferred against Mr. Wray the Vice President in Council conceives that the inquiry into it falls properly under your cognizance, in the first instance, as a justice of the peace. The proceedings of the Court cannot be properly considered by the Vice President in Council, and the Commanding Officer will determine on the steps which he should take with reference to those proceedings, under the rules in force in the military department.

The whole of the documents which accompanied your letter, are herewith returned.

W. B. BAYLEY, Chief Secretary.

Council Chamber, Dec. 9, 1817.

This was, in plain language, directing Mr. Loch to arrest Mr. Wray, and to send him down to Calcutta to take his trial before the Grand Jury; and, it was telling me, to obey the articles of War.

But, how did the Magistrate act upon the receipt of this letter? Why he positively refused to obey the orders of the Vice President in Council, and wrote to Major Broughton, with whom he also condescended to correspond on the occasion:—

"You will observe, that the Government conceives I ought to act in the affair in my capacity of Justice of the Peace; which, however, I do not mean to do!"

A precious Magistrate indeed—But he had good backers—he knew his men at head qarters, and that they would stick to him through any thing, and every thing. He knew full well that if the affair once got into the Supreme Court, that shame would compel Lord Hastings to punish him; it, therefore, became imperative, for self preservation, that it should be withheld from that tribunal.

The Court of Inquiry, assembled for the purpose, as they, in the preamble to their proceedings, say, of "*investigating the circumstances of a complaint*, preferred by Mayput Sing Subedar, &c. &c. of the Moorshedabad Provincial Battalion.

The President of the Court of Inquiry, Captain (now Lieutenant Colonel) Wood, held in his hand the complaint as preferred to me, as also the depositions taken by the Magistrate under the sanction of an oath. But instead of recording these depositions, and then asking the Native Officers, if they adhered to the charges thus preferred; and if so, calling the evidences they stated they had ready to prove the facts; the President required the accusers individually to narrate their stories again, in the presence and hearing of the accused, and this without the solemnity of an oath, which the court had no authority to administer.

It will be seen that the names of five witnesses are given by the complainants, as ready to be brought forward to prove the acts complained of. Upon a reference to the proceedings of the Court of Inquiry it will appear, that *not one of these witnesses* had been examined by the Court; not even the native Doctor who had extracted the shot from their wounds. By the proceedings it will also be observed, that although the Native Officers had been refused the opportunity to prove the truth of their complaints by *their witnesses*, the Court of Inquiry had thought proper to allow of Mr. Wray to bring forward as many as he pleased to produce, to prove that he had not committed the act; as also to vouch for his general character; and thereby to endeavour to prove, that he could not have been guilty of the crime.

It is necessary here to draw the reader's attention to the Petition of Mayput Sing, Subedar, to Lord Hastings, against the barefaced and infamous proceedings of the Court of Inquiry;—and, also, to prove, that every measure possible was taken by me to endeavour to bring them under legal consideration.

When the Petition of that unfortunate Native Officer, had been treated with scorn and contempt by the "*benevolent*" Marquis of

Hastings, I transmitted it to Colonel Doyle, on the 19th of March, 1819, again to lay before his lordship; my letter containing the following observation:—

"Without discussing the contents, or whether the assertions contained in the Petition are founded on fact, or not, I trust it will appear to his Lordship's enlightened mind, that such reports are highly repugnant to the reputation of the individuals concerned, as well as injurious to the service of the Honorable East India Company."

And I, moreover, took the same opportunity, the 19th of March, to repeat what I had earnestly urged on the 17th of September, 1818, viz. that:

"I humbly hoped his Lordship would be graciously pleased to devise some measure to have the affair brought before a Court of Law, where, unless I was greatly misinformed, circumstances of a *most extraordinary nature* would be developed, which, I believe, had not yet been brought to his Lordship's knowledge."

It would naturally be supposed that his Lorship immediately took measures, in compliance with such urgent entreaties, both by the Subedar, as well as myself, to have the affair investigated before such a Tribunal; but not so. Nor did his Lordship evince the least desire, to be made acquainted with the "*extraordinary circumstances*" to which allusions had been made. The only notice that was taken of the *solicitations*, made by me, was a second most insulting and libellous letter, addressed to me on the 6th of November, by Colonel Doyle.

"An accident, distressing to the British Officer, through whose carelessness it occurred, was perverted by a Native Officer, and non-commissioned Officer, into a gross and obviously false charge against the individual.

It does not appear (not to speak more strongly to the point) that you remonstrated with the Subedar and Havildar, against the extravagant and black colour which they endeavoured to fix upon the transaction. They went before the Magistrate to lodge their complaint, under that profligate distortion of the occurrence. The Magistrate rejected a charge not less absurd than atrocious, directed the complainants to make their excuses to Mr. Wray for having preferred so groundless and infamous an imputation against him: and warned them of the consequences of their not preventing, by that conciliation, the prosecution to which they had exposed themselves.

"It does not appear that you endeavoured to sway them to obey this salutary counsel; but it does appear that you did endeavour to fix on Mr. Wray some shade of the guilt ascribed to him, by countenancing the Subedar and Havildar, in their perverse maintenance of the ground they had taken.

The result was, that these two Native Officers were brought to trial for wilful and malicious perjury, and were convicted of the crimes.

Still my Lord Hastings would persist in censuring me, for forwarding to him the complaint of the Native Officers; notwithstanding the articles of war declare that "*any Officer who shall refuse to forward the appeal of any officer, or soldier, under his command, shall be cashiered!*"

Colonel Doyle commences his letter with proclaiming, "An accident distressing to the feelings of the British Officer, through whose carelessness it occurred." It will be difficult, I believe, for Col. Doyle, or any friend of the Marquis of Hastings, satisfactorily to establish the correctness of this declaration. So far from its having been "*distressing to*" *his* "*feelings*," his *own* account of the transaction stamps him with having acted with the utmost brutality and want of feeling. After he had discovered the "*accident*," as it is termed, which his "*carelessness*" had occasioned, and he had ascertained the injuries he had inflicted upon three of his fellow creatures, and while they stood before, bleeding copiously from innumerable wounds, instead of offering his professional assistance, he treated them with contempt, and walked away, desiring them to go and complain of him—his name was Wray; Doctor Wray.—It is thus he details it:—

"I examined them, and found that one had received a grain of shot in his forehead, which had just penetrated the skin, and I believe one in the lip. Another of them had received a grain of shot in the ear, and a *few* in the breast, which had only just penetrated the skin. The third man had received a few grains in his arm. After having examined the people carefully, I said to the Serjeant-Major, that they were none of them seriously hurt, or that they were very little the worse. They afterwards said something which I did not understand, and upon asking the Serjeant-Major, he told me, that they said they would tell their Commanding Officer. I replied—"By all means;" and asked, who was their Commanding Officer? He said, "Lieut. White." "I then told him to inform Mr. White that my name was Wray."

It will be seen, that Lord Hastings still reprobrated me, for not having "*remonstrated with the Subedar and Havildar against the extravagant and black colour which they endeavoured to fix upon the transaction;*" and that "*they went before the Magistrate to lodge their complaint—under that* PROFLIGATE DISTORTION of the occurrence.

Is it requisite here to entreat of the reader to bear in mind my letter to the Magistrate, of the eighth of October, and the complaint which occupied it, (Appendix B) to prove that when they went before the Magistrate, *by his commands*, they had not attempted to "*fix*" any "*extravagant*" and "*black color*" upon the transaction:—they had simply stated the facts as they had occurred—there was no "*obviously false charge*" against Mr. Wray; on the contrary, there was a host of witnesses to prove that Mr. Wray had used threatening and insulting language to the wounded men, and that while they stood before him bleeding copiously, he levelled his piece at one of them, and threatened to fire. By my letter to the Magistrate it will be seen, that whatever my belief of the truth of the complaint might have been, I did not avow it. I offered no opinion upon the occurence detailed, and simply requested him to act in the affair as he might "*deem necessary.*"

I could not, therefore, "*remonstrate* against that which did not then exist. But how Lord Hastings could venture to assert, that "*the Magistrate rejected*" the "*charge no less absurd than atrocious*" when his lordship had assumed and acted upon the presumption, that the "*depositions taken by the Magistrate were strongly tainted with a presumption of perjury,*" and declared that the '*two Natives*' were brought to "*trial,*" and "*convicted*" of "*wilful*" and "*malicious perjury,*" as contained, in the very charge "*rejected*" by the Magistrate; is to me the most unaccountable and "*monstrous*" assertion ever set forth. It speaks for itself. As well as the "*extravagant and black*" proceeding of the Magistrate, in demanding the Native Officers to apologise to Mr. Wray for having complained against him; and which his Lordship has been pleased to call "*salutary counsel.*"

Lord Hastings has asserted, that the Officers were convicted of "*wilful and malicious perjury.*"

In my Petition to the King; and in the Petition of the Subedar to Lord Hastings; there are some observations of importance upon this point: but I shall now more fully notice it. The first charge upon which the Subedar was tried was:—

"For having on or about the 10th of October last, (1817) at Moorsheda bad, falsely and maliciously charged Mr. Assistant Surgeon Wray, before a Magistrate, with having intentionally fired at them."

SENTENCE.

"The Court find the prisoner guilty of the first charge preferred against him, and do sentence him (the prisoner) to be suspended from rank, and pay for one calender month." Lallo Sing; Subedar, President.

Against this conviction, the Subedar, in his Petition to Lord Hastings, entered the following protest:—

"Your Petitioner made his complaint in Hindoostanee to the Police Sheristadar, (Head Clerk, and Record Keeper in the Police Office) Maturgee Lalla, who caused it to be reduced to writing in the Persian language—which your Petitioner neither reads, writes, or understands. The Petition thus taken down, without being read or explained to your Petitioner, was offered for his signature, which your Petitioner did not refuse; not supposing it possible that such a gross and infamous perversion of his complaint could have been contemplated by a British Magistrate.

"That your Petitioner, however, does not now *believe* that the *original* depositions do contain the charge of wilful and malicious; if they do, your Petitioner *solemnly swears*, he *never made it*. The *original* depositions bear your Petitioner's signature; those *produced* in Court *did not*."

This was, indeed, a most serious and dreadful accusation against the Magistrate, Mr. Loch; perfectly disregarded by my Lord Hastings; of no less a nature than charging him with having brought before the General Court-Martial, a false and fabricated document, purporting it to be the true depositions of the Subedar, and that for the wicked purpose of convicting the Native Officers of having

charged Mr. Wray, *on oath*, with having "wilfully and maliciously fired at them." Monstrous and profligate as this offence may appear, I have not a doubt in my mind but that Mr. Loch was not only guilty of it, but that he went further, and basely perjured himself, by swearing to it as the true one. The Subedar informed me, and I believe him to have been incapable of telling a cool and deliberate falsehood, that Mr. Loch, when about to give his evidence before the Court Martial, refused to be sworn; and stated his reasons for not complying, that, as a Magistrate, he was *always upon his oath;* nor did he take the oath, until *he discovered* that the Court would not proceed upon the trial of the charge, Lord Hastings had brought against the Native Officers. To this belief I am the more disposed to adhere, from the fact that the Magistrate *concealed* from my knowledge, from the 8th of October until the 2nd of November; the circumstance of the Native Officers having, in their "*depositions*," accused Mr. Wray of "*wilfully and maliciously firing*" at them. The following are the communications which passed between me and the Magistrate, from the 8th of October to the 2nd of November.

"To Lieut. White, Commanding Moorshedabad Provincial Battalion.

"Sir—I beg to inform you, that Colonel Pine has *favored* me with a perusal of the proceedings of the Court of Inquiry; and I have no hesitation in giving my decided opinion that Mr. Wray is entirely innocent of any intentional act of criminality: he has been very hastily and shamefully accused of crimes, not only derogatory to common humanity, but charged with accusations highly offensive to the character of a British Officer.

That Mr. Wray was inconsiderate in firing so near the lines there can be no doubt; the regret and sincere sorrow he has expressed for the accident, which his unguardedness occasioned, ought surely, *however* to afford every satisfaction; while, on the contrary, I think the serious and vile aspersions with which Mr. Wray has been charged, imperiously demand an apology on the part of the Subedar and others concerned.

"I conceive it is your particular duty to make them sensible of their error, and that you will point out to them the propriety of complying with the requisition; and in the event of their doing so, you will appoint a day for them to meet at Colonel Pine's, before whom they will offer up their apology to Mr. Wray. W. Loch, Magistrate.

"City of Moorshedabad, 31st of Oct. 1817."

To W. Loch, Esq. Magistrate of Moorshedabab.

Sir—I have the honor to acknowledge the receipt of your letter, of the 31st ult. In reply, I beg leave to inform you, that having assembled the Native Officers, and others concerned, and read to them your letter, agreeable to the conception you have made of the case, they are so far from being satisfied, where they themselves complain of injury and insult, that they should not only be required to submit without redress, but come forward with an apology; they require the complaint against Mr. Wray, should be instantly forwarded to the Commander-in-Chief.

I am not aware of any regret or sorrow expressed by Mr. Wray. Your letter of the 31st ultimo contains the first intimation of the sort; and that is very unsatisfactory, as I have not been able to explain at what period this

contrition was expressed, or its nature, and the objection they have to any accompanied with such charges and requisitions against them.

Much as I lament the unfortunate affair, and happy as I should have been had Mr. Wray at first come forward with a desire to appease the men, to have left it to themselves;—under the present existing circumstances. I have no alternative but to submit the affair to the consideration of his Excellency, the Commander-in-Chief.

To admit of his Lordship obtaining every information, allow me to beg the favor of your submitting to Colonel Pine, my particular request that he will have the goodness to forward the proceedings of the Court of Inquiry to the Adjutant-General of the army.

Nov. 2, 1817. W. WHITE.

To LIEUT. WHITE, Commanding Moorshedabab Provincial Battalion.

SIR—I beg to acknowledge your letter of this day's date, and lament to find the officers and men of your battalion are so much dissatisfied with the proceedings of the Court of Inquiry, and have decided on the steps you mention: I equally regret to observe, you seem to have had so little influence over their minds, and to have adapted very much their sentiments.

The charges against Mr. Wray may be comprehended under three distinct indictments, viz.:—

First—Wilfully and maliciously shooting at a party of soldiers, without cause or provocation, by which a commissioned officer, and two non-commissioned officers, were wounded.

Secondly—For offering reprehensible abuse to the above persons; and a second time threatening to fire upon the Havildar-Major.

Thirdly—For appearing in a state of drunkenness.

Now these are literally the charges preferred by the Officers of your Battalion against Mr. Wray, and can you possibly believe, that a human being in his senses could be guilty of a crime so atrocious, so heinous, so perfectly wanton, as the first charge makes him to be?—You cannot admit it; and when acquainted with Mr. Wray's character, his known benevolence and humanity, his mildness of disposition, and goodness of heart, you cannot doubt it for a moment.

Nov. 2, 1817. W. LOCH, Magistrate.

W. LOCH, Esq. Magistrate of Moorshedabad.

SIR—(*Extract*)—"In conformity with your advice, I have re-assembled the Native Officers and men, who adhere, after every explanation, to their former resolution; which renders any further interference with them impossible. Indeed, by so doing, and endeavouring to persuade them to any act they conceive unjust, and the demand unwarrantable, I should subject myself to be complained against, and inevitably fall under the severe displeasure of his Excellency the Commander-in-Chief. I have offered no opinion; and how is it that I am accused of adopting very much their sentiments? I have, as far as my duty warranted as their Commanding Officer, explained to them the serious consequences of it's being out of their power to prove their charge; also the possibility of their being mistaken; yet they are resolved to trust their commissions and every thing to the sentence of a Court Martial

Nov. 4th, 1817. W. WHITE.

I will not stop to comment on the offensive and objectionable style of the Magistrate's letter; and the vast presumption, to say the least of it, of his attempting to point out to me what he "*conceived to be my particular duty;*" but I will observe, that it is

somewhat surprising that the Government should have continued Mr. Loch, for a single day, in an office, the just discharge of the functions of which he either so little understood, or so wilfully neglected.

It will be seen, by the Magistrate's letter of the 31st of October, 1817, that up to that period no mention whatever is made of "*wilfully and malicious firing.*" He simply states, Mr. Wray to have been "*accused* of crimes not only derogatory to common humanity, but charged with accusations highly offensive to the character of a British Officer."

It will also be perceived, and it is worthy of notice, that even up to the 2nd of November Mr. Loch had not asserted, that the Native Officers in their "*depositions*" before him had made the charge of "*wilfully and maliciously firing.*" I did not, even at that period,understand that any such assertion had been made before the Magistrate; on the contrary. When I forwarded the appeal of the Native Officers, to the Commander in Chief, on the 4th of November, I stated, that "in compliance with Mr. Loch's orders the parties and their evidences attended and deposed on oath in his Court, and the evidence there taken down, Mr. Loch informed me, corresponded precisely with that of the Serjeant Major." I was confounded, and confused, at the declaration, as contained in his letter of the 2nd of November: and though I could not tell the Magistrate, that he was acting the part of infamy, I sincerely felt and believed as much. I do now think, and I shall carry the same conviction to my grave, that, when he had dared hazard the assertion that the Native Officers had charged Mr. Wray with "wilfully and maliciously firing at them," and he found the Commander in Chief took the affair up in the light which he did, as there was no alternative, but to acknowledge his baseness, or cloak it by still more vile and abominable conduct;—he accordingly fabricated the depositions to meet the charges. If this was not the case, why was there so much reluctance in arresting Mr. Wray, and sending the depositions before the SupremeCourt? particularly so after the Vice President in Council had refused to look into the proceedings of the Court of Inquiry, and had commanded the Magistrate to act in the affair as a justice of the peace.

I now repeat, what I acquianted Lord Hastings of in my letter to the Adjutant General, under date the 4th of November, 1817, while forwarding the appeal of the Native officers; that at an interview I had with Mr. Loch, while the Court of Inquiry were carrying on their proceedings, for the purpose of shewing him a letter I had received from the Native Officers protesting against the Court of Inquiry, and demanding that their complaint to the Commander in Chief should instantly be forwarded, he did assure me

that *"the statement the Native Officers had made to him was preisely the same as that taken down by the Sergeant Major."* At that interview I also told Mr. Loch, that the Native Officers had acquainted the President and members of the Court of Inquiry, that they would not rest satisfied with their judgment and decision, be it what it would, for they had complained seriously of the manner in which they had been treated ; of the perverse and perverted manner in which their statements had been taken down : and that they were outrageous at the rejecting of their evidence, and their being refused to be examined ; and, then, turned out of court when Mr. Wray enter upon his defence,and examinedhis witnesses behind their backs. The Magistrate entreated that I would not forward the letter to the Commander in Chief until such time as he knew the result of the Court of Inquiry. I complied with his request ; and he kept the letter. Why was the Police Sheristardar, or head Clerk and record-keeper in the PoliceOffice, who had taken the depositions down, dismissed as soon as the Commander in Chief gave orders for the trial of the Subedar, for wilful and malicious perjury?—Why did not Mr. Loch produce this man to prove the depositions he had written? Why was the evidence of this man refused to the Subedar, who had insisted upon his being summoned as a witness? Why was it, that when the President of the Court Martial demanded his being summoned, that the Judge Advocate refused to do so?—The answer to all these questions is—this man would have blown the whole plot, and exposed the infamy of the transactions. The Native Officers had made no such accusation as *"wilfully and maliciously firing ;"* not even before the Court of Inquiry. It was the low cunning and depraved ingenuity of the Magistrate, Mr. Loch, which invented the charge, and his scruple-less conscience which established it. He was contemplating my ruin ; his mind was irrevocably fixed upon it, and like a cowardly assassin, he accomplished it by bye means, bolstered up with friends and relatives high at Court, when he dare not venture openly to attack me.

Let us see what the Subedar said to my Lord Hastings, in his Petition, on this head :

"Your Petitioner demanded for his evidence against the first charge upon which he was ordered to be tried, Maturgee Lalla, the Police Sheristadar, (Head Clerk and Record Keeper in the Police Office) who had received his complaint at the Magistrate's, and had caused it to be reduced to writing. Your Petitioner repeatedly prayed for the attendance of this man, but was as often refused by the Judge Advocate ; the President of the Court, also, demanded his attendance. The Judge Advocate got angry, and told him, he would not summons him.

"Your Petitioner was thus illegally and oppressively refused his evidence ; was unjustifiably treated by the Judge Advocate ; had no one to plead his cause—no one attempted to assist him. Your Petitioner was found guilty of

the first charge ; but your Lordship, upon a reflection of the slight punishment awarded, would naturally conceive the Court to have been much divided in opinion. The Court knew that your Petitioner's evidence had been refused him on the first charge. The officiating Judge Advocate can best explain, what arguments he used to induce the Court, under such circumstances, to convict your Petitioner."

Another of the "*extraordinary* circumstances," which I had assured his Lordship would be developed if he caused the affair to be brought before the Supreme Court, is the following :—When the Commander in Chief set aside the sentence of the General Court Martial, and issued General Orders dismissing *two* of the Native Officers from the Service, the Members of the Court Martial waited upon the unfortunate Subedar, Mayput Sing, and Agaib Sing, Havildar Major, and informed them that—" after they had withdrawn from the Court,and while the Court were deliberating upon the evidence before it, Colonel Pine, the Commanding Officer of Berhampore, entered, and addressing himself to the Court ;—he implored them to consider that they were then trying a case which had been disposed of by him, by the Magistrate, and by a Court of Inquiry, and that if the Court Martial should *acquit* the officers, they, Col. Pine, the Magistrate, and Members of the Court of Inquiry, would all be ruined. " Here," said Col. Pine, " putting his hand upon his head, am I grey in the Service ; and will you bring us all into disgrace for the sake of these men ?" As soon as Colonel Pine withdrew, the Court, with the exception of one Officer, the President, acquited the prisoners of both charges. The Judge Advocate refused to close the proceedings, and entreated of the Court to find the Officers guilty of the first charge, and to award ever so slight a punishment; to save " *The European Gentlemen concerned.*" The Court, in compliance, with these urgent,and earnest,entreaties, passed a sentence contrary to their judgment and feelings.

The Members of the Court Martial offered to come forward, and upon their oath, prove these facts. They did so to the Subedar, and they did so to me.

The second charge upon which the Officers were tried, was —

" For Perjury—in deposing falsely before a Magistrate, that Mr. Assistant Surgeon Wray levelled his fowling piece at Havildar Major Agaib Sing, of the Moorshedabab Provincial Battalion, and threatened to shoot him, such conduct being scandalous and infamous, disgraceful to the character of an officer, and prejudicial to good order and military discipline."

SENTENCE.

"The Court find the Prisoner, Mayput Sing, Subedar, NOT GUILTY, of the charge exhibited against him.

" Lalloo Sing, Subedar, and President.

This acquittal upon the second charge clearly proves, that in the minds of the Members of the Court Martial, Mr. Wray had been

guilty of the dreadful offence of "levelling a loaded fowling-piece at the breast of one of his fellow creatures, whom he had previously severely wounded, and threatening a second time to fire and take his life." It was, as I have already observed, this charge alone which demanded investigation; and if this fact had been clearly established before a jury in Calcutta, it would have been for them to determine, what degree of crime, or guilt, should be attached to the previous firing and wounding.

But these circumstances, so far from affording any altered view of the impression upon his Lordship's mind, as to the justness of the complaint, seems to have convinced him of the propriety of the measures he had adopted, and the necessity of some still more rigorous steps. He, therefore, with a magnanimity and boldness, peculiarly his own,—sets aside the sentence of the Court Martial, and by "virtue of the power and authority in him vested," resorts to the cruel and vindictive measure of dismissing the Native Officers from the service; and to give a "*colour*" to the arbitrary, despotic, and infamous proceeding, he hesitates not in issuing a General Order in which he publishes to the whole of the Indian army a cool and deliberate falsehood. But in doing this, his Lordship was only acting consistently. He cared not a fig for truth, or justice. It was his will that what had been done should be justified, by any measures, however iniquitous. The following is part of his General Order:—

Among the grains of shot produced in Court as having fallen on the bed where the prisoners were lying, there are several of a much larger size than the quality of that which it was proved (see Court of Inquiry) Assistant Surgeon Wray was using. Those large shots are flattened, that it may be inferred with what force they struck the bed frame; but these grains are equally flattened on both sides, as that it is evident they were put into that state between two hard substances. This attempt the Commander-in-Chief considers in a heinous light—still it is not so grossly culpable as the other points:—Four witnesses are brought forward by the prisoners in their defence, against the second charge, and each of these witnesses gives his answers to a series of questions, not only to the same effect, but, as is observed by the Deputy Judge Advocate, precisely in the same phrase, so that their evidence was word for word the same. This is a coincidence which could not have happened but from the witnesses having been severally instructed in their lessons before hand; and the Commander-in-Chief cannot sufficiently express his astonishment that the Court did not comment on so gross and palpable a fact. These circumstances greatly aggravate the original guilt in the contemplation of the Commander-in-Chief, and render a rigorous example necessary."

The object of this order was, to cover the Native Officers with infamy—to justify his Lordship's shameful proceedings towards them—and indelibly to brand my character upon the records of the Government, as their "*adviser*." But, stop—until the

nfamy recoils upon his Lordship himself. He says that, "four witnesses are brought forward by the prisoners in their defence against the second charge, and each of these witnesses gives his answers to a series of questions, not only to the same effect, but, as is observed by the Deputy Judge Advocate, precisely in the same phrase, so that their evidence was word for word the same.

This General Order embraces two points :—first, the flattened shot;—secondly, the witnesses of the Subedar. I shall, therefore, view them separately.

THE "FLATTENED SHOT."—What has the Subedar said in his Petition regarding this?

"Your Petitioner most solemnly swears, that the shot has been changed since its delivery to the Commanding Officer, Lieut. White. The Native Doctor could have proved the shot he had taken out of your Petitioner's wounds; as also Lieut. White, whether the shot produced in Court was that they had delivered to him; but all this evidence has been studiously avoided."

Such a base and infamous reflection as this, upon the conduct of some Officer, surely demanded investigation? If justice to the complainant did not demand it; the honour of the service was compromised by its refusal. I shall here repeat, what I have in my letters in India, and to the Court here stated, and am now prepared in the most solemn manner to confirm; viz. :—

"I most solemnly before my God declare, that when the shot were forwarded by me to the Magistrate, they were *not in the state* as represented by the Commander-in-Chief. They were *all of one quality, and irregular shapes.* The shot had been in possession of the Magistrate, from the 8th of October until the 2nd of November, without *his having discovered* that "the shot were *flattened on both sides*, as though they had been *bruised between two bricks.*" It was not discovered until after the Magistrate had been informed by me, in reply to his mandate of the 31st of October, that the Officers refused to stultify themselves." If the shot were in *such a state when sent by me* to the Magistrate, what motives can be ascribed to his conduct, when, instead of returning them to me with his observations, he directed that "*the parties should be sent to him; it was indispensably necessary that they should* depose upon oath to the circumstances? When the parties appeared before him, how was it, if he had any *private motives* for not pointing out the *flattened shot* to me, that he did not do so to them? Instead of remonstrating with them upon the charge, how came he to force the Officers to swear against their inclination to a criminal charge against Mr. Wray? Is not the inference clear and obvious, that he was deliberately and maliciously contemplating my ruin, at the sacrifice of every principle of honor, moral, religious and professional duty! Is it not manifest, that, without scruple or remorse, he ruined those Officers to obtain his object. If the shot do appear as represented by the Commander-in-Chief, I hesitate not a moment to declare, that they have been *altered* since I delivered them to the Magistrae. It could not have been done without his knowledge, and must have been resorted to to impose upon the credulity of the Commander-in-chief. It ought to have been *proved* that they were *sent to him in such a state.* I had abundance of proof as to the shot delivered to me, and the *state* they were in *when transmitted* to the Magistrate."

Secondly—" Four witnesses are brought forward by the prisoners in their defence, who give their testimony word for the same."

" The proceedings of the General Court Martial are now at the East India House ; and I do declare that they contain no more than the evidence of one witness on the part of the defence. There are added the names of three men, stated to have been called into Court ; and *declared* to have " *corroborated* the testimony of the former witness." And it further appears, that not a single question was put to either of those witnesses for the purpose of illucidating the truth."

The Subedar, in his Petition to Lord Hastings, seriously complained of the manner in which his witnesses had been treated ; he said :—

" Your Petitioner's evidence at the General Court Martial was most shamefully treated by the Judge Advocate. Immediately an evidence came into Court, prior to examination, the Judge Advocate told him to be careful what he was going to say ; he knew that he had come forward with a story made up, prepared to deliver false evidence ; but for which he would be punished. To the first evidence a string of questions was put, and his answers taken down ; the remaining witnesses called into Court were asked the same questions, but neither question or answer was taken down at the time. This accounts for the evidence appearing before your Lordship in the same words ; the Judge Advocate has inserted them so, and commented upon it solely to invalidate your Petitioner's evidence.

I will not detain the reader with offering farther observations upon Colonel Doyle's letter, but proceed to shew how I answered it.

Perfectly aware that not an atom of hope existed of any possible good resulting by further correspondence with the under-strappers of the government, I addressed myself direct to my Lord Hastings, in the following words :

My Lord,

Notwithstanding being charged with a crime of the greatest turpitude, committed in a cool, deliberate, and preconcerted manner, without a motive to tempt me, but the blackest that could disgrace human nature, I am neither brought to trial, nor called upon to offer an explanation for such conduct ! When I appeal and solicit for trial, for the documents which may have produced the punishment, (the Court of Inquiry) I am not permitted to have the one, or to be punished with the other. The conclusion is natural, that there are NO GROUNDS to substitute the charge ; if there were, I am entitled, I trust, to presume that they would have been brought against me ; the crime, a SUBORNER OF PERJURY, being too base for admonition, and one that merited the severest penalty the law could inflict.

These measures, my Lord, with all due deference, are too much at variance with your Lordship's acknowledged benevolence and philantrophy, to gain credit with any one for a moment. It cannot be, my Lord, that while Foreign Powers are stated to be blessing your Lordship's humanity and benevolence, that your own subjects, devoted to the cause of their Country, should have reason to complain of injustice and oppression.

I most solemnly declare to your Lordship, upon my honor as an Officer, that on the receipt of the Magistrate's letter, of the 2nd of November, I sent for the parties concerned, (the Native Officers) read and explained to them the letter, and pointed out to them, in a peremptory manner, the necessity of complying with the Magistrate's request. They, in the most solemn manner, denied having made the charge alluded to, viz.—accusing Mr. Wray of "having WILFULLY and MALICIOUSLY fired at them." My injunctions were repeated to them three times; and they, each time, refused, in the most decided and positive manner, to make the desired concession; and they insisted upon an appeal to your Lordship.

There were present three Native Officers, and the Sergeant-Major of the Regiment, whom I had assembled for the purpose of witnessing what might transpire. There was also present an European Officer, belonging to the same regiment as Mr. Wray, who, calling upon me at the time that the Officers were assembled, seeing me engaged, wished to retire; but, at my request remained and heard what passed on that occasion. To this gentleman, to the Serjeant-Major, and Native Officers, as well as the parties concerned, I appeal for the truth of what I advance."

If there is any part in the transaction in which my conduct has been blameable, and which I cannot reconcile to my own sense of duty; it was in thus having advised the Officers to make the degrading apology. But in truth, I was, at the time, scarcely capable of acting as a free agent. I had been so often engaged in controversies, which had been referred to the Commander-in-Chief, and to the Supreme Government, that I was actually afraid of taking any personal share in a transaction which had agitated the two principal authorities at Berhampore.

Even this letter failed to awaken his Lordship's sense of justice, or to arouse his indignation. His mind had already been made up. He had countenanced the most wicked outrages; and had set at nought all the laws of the land; it was not, *therefore*, surprising that he treated every principle of honor and virtue with indifference. But some answer was requisite; nay, *absolutely necessary*. While he had not the candour and justness publicly to acquit me of charges he dared not venture openly to maintain; he hesitated not to resort to the mean and contemptible alternative of contradicting himself. Colonel Doyle, therefore, on the 8th of Febuary, 1810, by his Lordship's commands, wrote to me:—"You pertenaceously insist that you have been stigmatized as a suborner of perjury; no such imputation has been thrown upon you. Your removal was not intended as a mark of disgrace."

Lord Hastings had declared that I had "*advised the offended individuals to make depositions before the Magistrate, strongly tainted with a presumption of perjury*;" and subsequently, that "*those two Natives were brought to trial for the wilful and corrupt perjury, and were convicted of the crimes.*" And yet, this is not charging me with subornation of perjury! In the name of goodness what shall it be called? Pray Colonel Doyle do have the goodness to explain; for *if you cannot*, no other person can.

Subsequently, however, to this, his Lordship talked very big; and on the 10th of April I was prohibited from leaving India, as "*The Law Officers of the Company had been directed to prosecute the Subedar, for a false, malicious, and malignant libel upon various public functionaries.*" But notwithstanding these threats, his Lordship pondered before he would carry them into execution. He dared not hazard the risk of *his* character in the Supreme Court. He found himself too deeply implicated in the "*profligate distortion of the occurrence,*" and wickedness of the whole of the transaction, not to dread the consequences of a public investigation in the Supreme Court, that would leave an official record of his baseness; the gross and "*perverse,*" the "*profligate*" prostitution of justice. He dreaded the legal investigation before upright and intelligent judges; and the verdict of an independent jury. He was too well aware that though he might, and could, command the servants of the company; British subjects resident in Calcutta would not be tampered with, or would they be dictated to, nor could the juries be packed. His Lordship, therefore, by the advice of the company's "*Law Officers,*" dropped the prosecution; and he directed the Adjutant General, on the 2d of May, to inform me that he had done so, and "that," my "leave of *absence was renewed*:" also, that "The Commander-in-Chief, however, desired me to reflect on the strong opinion which I had given, as to the truth of Mayput Sing's assertions. If I had any ground for stating that belief, it was incumbent for me to come forward with the charge; otherwise, the imputation would be heavy, that I had used the memorial as an excuse for conveying injurious insinuations, which I could not openly maintain."

In reply to this letter, on the 4th of January I announced my resolution to proceed against the "*individuals*" in the Supreme Court; and I applied to be furnished with the documents necessary for the purpose; at the same time observing, also:—

"If his Excellency alludes to the assertion of Mayput Sing, respecting the proceedings of the Court of Inquiry, in which, he alleges that I interposed, I am prepared to prove, in the most solemn manner, that the evidence of the Serjeant-Major, of the Moorhe Jabad Provincial Battalion, was not taken down in the manner in which it was delivered; and that several of his answers were not placed on the proceedings. My interference then, and in other instances, was resisted by the Court; and I was informed, that I was a mere spectator.

But should his Excellency refer to the assertions of Mayput Sing, respecting the manner in which his Court Martial was conducted, it must be manifest, that as I was not present at the trial, I can have no personal knowledge of the matters alleged by Mayput Sing. He has repeatedly informed me, that the man who reduced his deposition to writing, was not examined before the Court Martial; and that he required the attendance of

this person; but the Judge Advocate refused his request. Mayput Sing has also assured me, that in his original deposition he did not accuse Mr. Wray, of "*wilfully and maliciously* firing." I believe those assertions; and the grounds of my belief are, the information which I received from Mayput Sing and the Havildar Major.

In reply to this letter, I was summoned, on the 5th of May, to attend upon the Adjutant-General; who acquainted me, "that his Lordship would not grant the documents applied for, and insisted that I dropt the subject; that no more should be heard regarding it;" or, otherwise, if "I persisted, it would bring upon me the severest displeasure of the Government, and be marked in a manner injurious to my future interest."

I shall now take leave to offer a few remarks upon the proceedings of the Court of Inquiry; and it will be seen, that I have also made some observations on the proceedings themselves that are important. It will be perceived, that all the questions put by the Court to the witnesses, went to exonorate Mr. Wray, and criminate his accusers. The Serjeant-Major is made to convict the Havildar Major in a falsehood, by having entered upon the proceedings, the Havildar stating that Mr. Wray's *third* visit was on the 11th of October, and the Serjeant-Major saying that it was the 13th.

Mr. Wray commences his defence with saying, "That any person should be so individuous or evil minded, as to incite those officers to give such evidence as to endanger the life of a fellow being, I can scarcely suppose. However, as evidence to that effect has been given against me by those Officers, I will, without further comment, endeavour to state the circumstances as they occurred."

It is evident that I am the *person* to whom Mr. Wray alludes.—I will ask then, if the fact of my sending to Major Broughton offering my services as a mediator, ought not to have restrained that imprudent and rash youth from hazarding such an assertion? I, however, acquit him of the baseness of the insinuation, as not his own; because, I am perfectly aware, that he was influenced and surrounded by evil and bad councellors—Major Broughton taking the lead. But as I cannot but ascribe the worst of motives to the assertion, I will answer by telling Mr. Wray, that if I had only taken that active part which my duty demanded, and I had full power to have done, all the interest of Mr. Loch, Major Broughton, and even Lord Hastings himself, could not have saved him from the trial by jury. Lord Hastings knew full well what the result, in such a case, would be. It was well for Mr. Wray that Lord Hastings did not comply with my request, and that of the Native Officers, "to have the affair brought before the Supreme Court." I had distinctly told his Lordship that, then "*circumstances of a most extraordinary nature would be developed, which had not yet been brought to his Lordship's notice.*" My Lord Has-

tings was not that virtuous, upright, just, and honorable man, to whom I could dare venture to confide the "circumstances" He had already shewn the most "*perverse*" and "*perverting*" disposition; as well as evinced his utmost contempt and disregard for any thing like justice. I was, therefore, resolved only to bring the proofs where they would be received with attention and respect; until they had been met and refuted by better testimony. I shall now briefly mention them.

The Magistrate has dwelt much upon the charge of drunkenness, alledged to have been preferred by the Native Officers against Mr. Wray; and the whole tenor of the proceedings of the Court of Inquiry seemed to be directed to establish, that it was impossible he could have been drunk. I do not now mean to say that Mr. Wray was drunk; but whatever opinion I may have upon the subject, I shall keep to myself, because it is not material. The circumstances *I should have proved* in Court, was first:—that the Serjeant-Major, when he reported the occurrence to me, *did say* that Mr. Wray *was drunk*. Secondly, *I would have proved* by the Native Officer commanding Mr. Travers's (the Collector) Guard, by two Sentinels on duty at the time, and by several servants of Mr. Travers, and by Mr. Travers himself, when put upon his oath, as well as Mr. Ledlie, and the servants of Mr. Wray—that a very few minutes before the firing and wounding took place, Mr. Wray and Mr. Ledlie *both* called at Mr. Travers's house, and there remained some time, talking, and that they each took one glass, *if not more*, of brandy and water.

I state the facts I should have proved in the Supreme Court. My readers will draw their own conclusions.

If the fact had gone before the grand jury at Calcutta, with the other circumstances, the opinions of Major Broughton, Mr. Keys, &c. would have had but little or no avail.

If Mr. Wray cannot blush at the baseness of his insinuation, the world, I trust, will now acquit me of any ill-will, design, or feeling, to Mr. Wray; a young man totally unknown to me, even by name, until the rashness of his conduct introduced it to my notice, under the most unpromising and suspicious appearances. Mr. Wray may even thank himself, and his injudicious friends, for the exposure I threaten Lord Hastings with making, and I now partly unfold.

The following are a few of the many contradictions in the proceedings of the Court of Inquiry.

"Why," says Mr. Wray, "knowing, as they unavoidably must, that the shot which were fired from my gun struck them by mere accident, should swear that I took aim and fired at them I am unable to conceive."

The Officers were not in Court when Mr. Wray made his defence: they had been turned out, and not permitted to hear it: they could not, therefore, answer this remark of Mr. Wray; nor did it come to my knowledge for months afterwards. The Magistrate kept the proceedings of the Court of Inquiry himself; he did not allow me to see them when he made the demand upon the Native Officers for an apology. But, notwithstanding this assertion of Mr. Wray, I do assert that no such charge was made before the Court of Inquiry: and by a reference to the "evidence," as it is called, of the Havildar Major, Agaib Sing, it will be seen that he distinctly had said, but a few minutes before, in the presence of Mr. Wray, in answer to a question, "*I cannot say* whether the gentleman fired intentionally at them or at a bird."

It has been clearly proved, by Mr. Wray and his witnesses, that, with a loaded gun in his hand, he saw human beings in a house, that he knew them to be Sepoys, or servants of his own masters, and that they were within the reach, and danger of his shot; but, notwithstanding this, both he and his servants ordered them to get out of their houses, to get out of his way: he advances nearer to them, and of course must have seen them clearer, "soon afterwards two birds got up, and he fired."

What right had Mr. Wray to use this language to the meanest individual in the country; still less so to soldiers housed in military lines? Had this occurred at Knightsbridge Barracks by an Officer from the Tower, would it have been treated as it was at Berhampore, to be "a matter of no consequence, and would blow over like smoke?"

If the parties wounded had actually seen Mr. Wray present his fowling piece, and which is not pretended, they could not know whether he did or did not then aim at a bird; and all that they could have said, is what is not attempted to be denied, that he seemed to fire in the direction that they were sitting, and that they were wounded. Whether Mr. Wray fired at a snipe, or at the men in the hut, could only be known to God and his own conscience.—Their conclusion respecting his *intention*, could have been nothing more than mere *opinion* and *belief*, founded from what they had *seen*, and the wounds which they had received. The only question, therefore, to be ascertained, was, how Mr. Wray had conducted himself to the wounded parties after the injury?—they having alledged, that he had grossly abused them, and that he had levelled his piece at one of them, accompanying the act with threatening expressions. These were, in truth, the only facts which *demanded investigation.*"

Mr. Wray says, that, " when he had arrived within a short distance of the huts, he saw some *Sepoys* under a matted house or shed, and he called to them to go away;" and that " he *believed* they *did go away*, or *appeared* to go away."

It seems quite incredible, how Mr. Wray could, after the knowledge he had acquired of the circumstances, venture to have the impudence to assert that the men " appeared *to go away*." His servants flatly contradict him :—they say, that " soon after Mr. Wray called out, two snipes got up, and their master fired at them, and the men came out of the hut and made a great noise, saying, that a gentleman had wounded them, and was walking off!"

The distance from the huts that Mr. Wray was when he fired, has been disputed by all parties. The Native Officers say, 20 paces! The Sergeant-Major says, Mr. Wray was not more than 50 yards from the lines when he spoke to him.—Mr. Ledlie says, Mr. Wray was 80 yards from the hut when he fired. The servants, still more positive, say 100. If the distance had been so great, the shot could not have reached the hut if snipe-shot; or indeed would any gun carry shot that distance, so close, as to send 26 into the space of the face and breast of a man, and bury them skin deep!

Mr. Wray says, that, he had " *gone about* 150 *paces*," from the place where he fired, when " a person came out of the hut and made a great noise."

Mr. Wray's servant has said, that as " soon as his master fired the men came out making a great noise." Mr. Ledlie, still more contradictory, says, " about ten minutes after he saw the birds killed, he saw a Sepoy with five or six others proceeding towards Mr. Wray."

Mr. Wray declared that, his servants would " prove that they did not know that he had wounded any person until sometime afterwards." But the servants failed to support his assertion.

Mr. Wray says that, he " *killed the bird he fired*" at, at the time the men were wounded, and that he picked it up himself. In the same breath he says, his servants say " *the bird was not killed*." But Mr. Ledlie, who was " *afar off*," comes forward and says, that he " *thought he killed a brace; and he called out to*" Mr. Wray " to that effect!"

Mr. Wray denies that he could have abused the Officers, because he did not understand Hindoostanee, and all that he said was " Chooprao you Sir," (more probably Soar;—you pigs: an animal held in universal abhorence in India,) and that he did not know the meaning of many more words. Shortly afterwards he says, " that when I went two days after to call upon the officers to ask them how they were, " I said to him, " uch ha;" (very well) he replied, " Buhoot uch ha," (very well indeed) and appeared quite satisfied.

It is evident Mr. Wray knew enough for *colloquial* purposes, and

yet he denies that he could have said "Jao, nai hum toom ko Maringha."—(Go, or I will fire) The Serjeant-Major, however, distinctly declares that Mr. Wray, in his presence, told the Native Officers in Hindoostanee, "*let them complain, my name is Doctor Wray.*" But Mr. Wray was accused of abusing them, partly in English, and partly Hindoostanee. The Native Officers were not in the habit of speaking English, and seldom or never hearing it; and the words Mr. Wray is accused of having made use of, are too frequently amongst the first acquirements of Europeans in India, and applied upon all occasions of anger.

Having now fully detailed the facts and occurrences connected with the transactions that transpired in India; I will not detain the reader with a detail of the correspondence with the East India Directors after I came home. It will, however, be necessary to say, that on the 3rd of November, 1820, the Directors, in answer to the Memorial I had transmitted them from India, in which the foregoing facts and the necessary documents were detailed; replied, through their secretary, Mr. Dart:—

"The Court having considered the proceedings connected with your removal from the Adjutancy of the Moorshedabad Provincial Battalion, and all that you have thought proper to state in your Memorial of the 5th of November, 1819 I have received their commands to make the following communication to you.

"The Court have approved of the proceeding of the Commander-in-Chief, in removing you from the office you held in the Moorshedabad Provincial Battalion.

"The Court considers it unnecessary to reply to the different points of your Memorial of the 5th of November, 1819; but in regard to that part which prays the Court to consider the pecuniary damages your private fortune has sustained, in consequence of your removal from Moorshedabad; they do not hesitate, altogether, to disapprove of your conduct, in speculating in that description of property (buildings and land) from which the damage is alledged to have been sustained."

"The Court have also had under their consideration the circumstance attending your departure for Europe.

"It appears that, upon notifying your intention to address a Memorial to the Court, before quitting India, on the furlough which had been granted to you, your attention was drawn, by order of the Commander-in-Chief, to a regulation, which provides that any Officer who, having memorialized the Court, praying the redress of grievances, does not await in India the determination of the Court, but returns to Europe before an answer is given on the subject, shall be held to be dismissed the Company's service.

"It also appears that you were warned a second time, by a letter from the Adjutant General, of the consequences which might attend your embarkation for England, with the regulation over you; and that you were also verbally warned to the same effect.

"You embarked, nevertheless; and the Court are of opinion, that your conduct, in this instance, indicated the absence, on your part, of *all* proper feelings of subordination.

"Although this opinion would lead the Court to enforce the penalty which

you have incurred, yet, on a general review of all the circumstances of your case, they have resolved to adopt a middle course.

"I am commanded then to state, that upon your tendering your resignation of the Company's service, the Court will grant to you a pension of £50 a year."

This decision of the Court of Directors was answered by me on the 24th of October, by a letter far too long for insertion; but from which a few extracts are necessary:—

"The resolution of your Honorable Court in approving of the measures of the Commander-in-Chief, by no means surprises me: it was rather expected, as may be collected from the second paragraph of my letter, under date the 21st of July last.

"It would appear, by your Court declaring that you approve of the proceedings of the Commander-in-Chief in my removal from the Moorshedabad Provincial Battalion, and you considered it to be unnecessary to reply to the different points of my memorial," that you considered the only point of reference to have been, my "*removal* from office." I certainly have remonstrated against it, as an unjust, and oppressive, measure: but the principal ground of my appeal was the unjustifiable attack upon my honor, with which the Commander-in-Chief thought proper to accompany the removal.

"The right of a Commander-in-Chief to remove an Officer from an appointment, at pleasure, cannot be denied; but, I presume, no one will attempt to declare, that he has an equal right, at the same time, to deprive an Officer of his reputation and honorable name. When the Commander-in-Chief brought forward charges of so "*black*" and "*monstrous*" a nature as the grounds of disgracing me;—justice towards me, towards the individuals who were stated to have been led from the path of truth by my evil counsel, justice to the service at large, demanded that I should have been brought to a general Court Martial. The charge would then have been proved, or fallen to the ground; and I should have had, what has hitherto been refused me—an opportunity of vindicating myself.

"I most seriously and urgently call upon your Honourable Court, deliberately to re-consider your proceedings, and to annul the erroneous opinion which has been formed, to prevent such measures going forth to the world with your sanction and concurrence. I call upon you, in the behalf of equity, justice, and humanity, not to countenance those proceedings, to the indelible conviction in the minds of the Natives, and more in particularly your Indian army, on whose steady allegiance depends the fate of all your possessions; that neither mercy, equity, nor justice is to be obtained.

"I am free to confess, that should this, my second, and last appeal to the justice and wisdom of your Honourable Court, fail of producing the desired effects, I shall, instantly, take measures to bring the affair before the House of Commons.

"The public must judge of the merits and the conduct of public officers. If I am compelled to enter upon the stage, and canvass for public opinion, I am free to confess that I shall bring to public notice other instances of gross injustice, tyranny and oppression, that will even shock your Honourable Court yourselves.

It is very clear that the decision of your Honourable Court must proceed more from the supposed respectability of character of the parties opposed to the individuals who complained, than from any evidence which, in the slightest degree, disproves the charge. It is a point I most unwillingly hand dle; but it is too strong a feature to pass over unobserved. When evidence

of character is to be taken into consideration, the value to be attached to it must depend greatly upon the *respectability of the party* deposing. In this case I must prove, that those who have given such elaborate characters, are themselves of a dubious nature; and this I shall have little trouble in doing, from public documents which I hold in my possession, that are not only unconnected with the case, but altogether with me.

Three persons appear, besides the Magistrate, to vouch for Mr. Wray's gentleness of manners; his mildness; his benevolence, and humanity of disposition. One of them I will prove to have violated his honour, when he had pledged it in a most solemn manner. Another, has publicly registered a most infamous dereliction of all moral and religious dictates, in a manner that will render his very name odious to posterity. A third, by his inhumanity and barbarity in his professional conduct, has drawn upon him the execrations of hundreds of his own countrymen, and more than once endangered his life. A due estimation of the Magistrate may be collected from the documents of the case; but I shall not content myself without bringing forward other acts of his unparalleled in the history of India for oppression and injustice."

"Your Honourable Court's orders relative to appeals, must certainly be deemed incompatible with the ends of justice, when it excludes an injured individual appearing before his judges; who are to pronounce upon charges urged against him by superior powers, and who refuse him the opportunity of refuting them. At the time that the Government called upon me to obey this regulation, I had not only been deprived of all means of redress, but also of my pay. Your Honourable Court, however, have not only approved of my being thus oppressed and rendered destitute in a foreign land, fifteen thousand miles from my home and friends, but censure me for having availed myself of my furlough, which thirteen years service had entitled me to.

I feel sensible of the *motives* which have induced your Honourable Court not to enforce the penalty of the regulations. But if I declare the alternative offered to me, I beg that it may not be considered from ingratitude or disrespect. A proper regard for my own reputation, and the sense I feel of injuries, most unmercifully heaped upon me, compels me to declare; that if the pension of £50 is offered to me as a remuneration for my past services, of thirteen years, hard duty in India, while I hold in my possession a public letter of the Marquis of Hastings, wherein, in 1817, he declares "*his remembrance of my merits as an Officer;*" and again his declaration in Feb. 1819, that there was nothing against me but '*a want of temper;*' I must decline it as altogether inadequate. If, on the other hand, it is tendered to induce me to flinch from the penalty of the regulations, at the compromise of my honour, I cannot but lament that your Honourable Court should entertain so degrading an opinion of me, as to suppose me capable of thus coming forward and tacitly registering my own incapacity and disgrace."

This letter appeared to have some effect upon the resolutions of the Court of Directors; inasmuch, though they positively refused all manner of redress, they pondered before they dared venture to carry the threat of putting their regulations into force. On the 19th of March, 1821, I received a letter from the secretary, Mr. Dart, in which, by command of the Directors, he informed me:—

"In their letter to you, which I was directed to write on the 2nd of Nov. 1820, they considered, from your correspondence with the Adjutant General of the Bengal Army, that it was your wish to resign the service; and thence the proposition was made to you, of which I gave you intimation. Your

recent letter to the Court seems to convey a different desire; and, therefore, the Court have withdrawn the offer of the provisional grant to you.

"I am directed to add, that in your letter of the 24th of December, 1820, the Court consider that you have made use of many incorrect, intemperate, and improper expressions, which call for the severest reprehension of the Court."

I shall now proceed to illustrate some of the public acts of the gentlemen who afford their testimony as to the "*goodness of heart*" of Mr. Wray. The Government of Bengal could not but have known their characters; the Court of Directors certainly may not. But as they have approved of, and supported, the monstrous doctrine of, testimony of character against matter of fact, it is fit that they should see how far they are justifiable in adopting it; further, that they should be convinced that my assertions, as contained in my letter of the 24th of Dec. 1820, are not "*incorrect.*"

The following are the testimonials of character given to Mr. Wray, before the Court of Inquiry:—

Major Broughton; Commanding the Bengal European Regiment.—Mr. Wray has been under my immediate command near a twelve month, during which time I have had daily opportunities of observing him, in the discharge of the duties of his profession, as well as all those of social life; and I have no hesitation in saying, that, throughout the whole circle of my acquaintance, I do not know a young man more distinguished by gentleness of his manners, the humanity of his disposition, or the temperance of his habits. (Major Broughton here gives a very pretty testimony as to the *nature* of his associates.) I consider his having been guilty of the crimes he is charged with, as a *moral impossibility!*

Mr. Brown; Surgeon of the Bengal European Regiment.—Since Mr. Wray joined the Regiment, I have had daily intercourse with him; both public and private; and from his humanity to all under his care, on the bed of sickness, as well as his conciliatory conduct on all occasions, I consider him incapable of the acts with which he is charged.

Doctor Keys; Superintending Surgeon of Berhampore.—I have had daily intercourse with Mr. Assistant Surgeon Wray, since my arrival at this station, and the opportunities of judging of his conduct, which enables me to afford the most unequivocal testimony in favor of his correct, benevolent, and gentleman-like demeanour on all occasions of public duty or private association; and which pleasing traits of character, united to manners uncommonly mild and conciliatory, and of habits strictly temperate, he is one of the last persons whom I should think capable of committing any offensive or wanton acts of aggression whatever; and certainly not of the nature of that with which he is at present charged.

First;—the Magistrate, Mr. Loch.

It would scarcely be doing justice to this gentleman to say, that the population of the City of Moorshedabad only groaned under his caprice and "*profligate*" administration of the laws; it may, with truth, be said of him, that the City was demolished, and nearly all the inhabitants ruined by his wanton acts of spoliation, and audacious encroachment upon every private right.

The cutting of the new road through the city of Moorshedabad,

in the months of April and May, 1818, was one of the most iniquitous proceedings ever heard of; or ever countenanced by any Government upon the face of the earth. The road which had existed for ages through this, once extensive, flourishing, and prosperous City, the residence of the Nawabs of Bengal, both before and since the British became possessed of India, and over which the inhabitants had been accustomed to travel with perfect satisfaction; did not exactly suit the views of Mr. Loch. He therefore resolved to commemorate his name by cutting a new one. But this was a serious undertaking: he knew that the Government would not defray the expence. The Magistrate, therefore, first applies to the Nawab for his assistance. The Nawab strongly remonstrates against such a proceeding, and points out the consequences, unless the Government defrayed all the expences. The ingenuity, and pertinacity, with which Mr. Loch presses his plan, compels the Nawab to yield to the suggestion of himself subscribing a sum towards the work; but this the Nawab does expressly to alleviate the distresses of the people, and which he foresaw the Magistrate was determined to inflict. The Magistrate next waits upon the Rajahs, and principal Natives, to gain their co-operation; but they in like manner object. The Magistrate tells them of what the Nawab has done; and exorts them to follow his example: some of them yield out of respect to the Nawab, others submit through the fear of offending the Magistrate. (And who in every city, in every town, in India, is looked upon more in the light of a petty tyrant than as a protector.) The Magistrate then writes to the Government, and submits his plan, stating, a subscription has been raised by the Nawob, and other leading Natives, for the purpose; and he earnestly entreats of the co-operation of the Government. The Government yield; and appropriate a sum of money towards the work; and the funds are placed at the disposal of Mr. Loch, conjointly with another gentleman, Mr. Loch suggests shall be professionally consulted on the occasion. This was the consummation of Mr. Loch's wishes: a snug little *job*. The work of demolition commences, and is carried on for a space of three miles, right through the heart of the City of Moorshedabad, to widen the road. Thousands of houses of all descriptions, from the value of a few pounds to many hundreds, are demolished. In some cases a trifling remuneration was afforded; but in ninety nine out of a hundred there was none. The Natives who refused to remove their habitations, had their houses entered by the police, and forcibly reduced to the ground under their superintendance, and the materials sold to defray the expence.

This I saw with my own eyes—I heard with my own ears from the Natives themselves; and the very Police corroborated the assertions. I desired the inhabitants, who had surrounded my Pa-

lankeen, to go to the Magistrate and remonstrate with him. They replied, that they had been in bodies of five and six hundred at a time, imploring him to desist;—that he had assured them it was an act of the Government, and referred them to the Judges of Circuit; on their going to the Judges of Circuit, the Magistrate's assertion was confirmed, and they were sent away to their ruined and destitute families—many thousands of whom were lying out in the open fields without any covering, save a canopy formed of a few mats, or a piece of cloth.

The road exists, and thousands and tens of thousands of the inhabitants are now alive to prove the facts; and yet really to supplicate for redress.—God grant that they may get it.

It would be a curious question to solve:—why, the road takes such abrupt and acute angles at the premises of Rajah Woodmunt Sing—when no other species of property was respected, that the road should be a *direct line*.

In November 1818, an European servant in the employ of a Mr. Davidson, a travelling Merchant, (on his way to the upper provinces, and who happened to stop for a few days at Moorshedabad) one day happening to be displeased with some of the Boat-men singing, called to them to desist; but their not instantly obeying his injunction, or commands, he seized a horse pistol loaded with slugs, and running up to one of the Boatmen, with dreadful oaths, he threatened to blow his brains out, pulled the triger and carried away a part of the back of his head. The villian was secured by the Police, and delivered over to the Magistrate, Mr. Loch. The unfortunate wounded man after lying six or seven weeks in great danger, was at length pronounced to be recovering. But, how did Mr. Loch act? Why instead of sending the monster to be tried for the felony before the Supreme Court, by his "*kind offices*" the affair was compromised, on Mr. Davidson paying the friends of the wounded man 400 Rs. or £50!

The friends of Mr. Loch will call this mediation, an act of humanity; a proof of the goodness of his heart, and mildness of disposition; and they may urge it to have been an act of benevolence; but the law would call it felony.

Other facts connected with Mr. Loch I will reserve for a future period.

Secondly;—Major Broughton.

This gentleman, in July, eighteen hundred and seventeen, (three months prior to the affair of Mr. Wray) preferred certain charges against a private of the European Regiment, of the name of Leonard, and brought him to trial before a Regimental Court Martial. Instead of furnishing the man, as the articles of war direct, with a copy of the crimes upon which he was to be tried; when the prisoner applied for them, they were positively refused. The

man was dragged before a Court Martial without any previous knowledge of his offence, the crime read to him in Court, and compelled, instanter, to defend himself, without a moment to prepare his defence, or an opportunity to summons a witness. The Court Martial found him guilty of the crime, and sentenced him to received six hundred lashes. The Regiment were paraded for the purpose of carrying the sentence into execution ; the man was striped and tied up to the halberts, all the while protesting in his innocence, and appealing to the decision of a general Court Marrial. Still Maj.Broughton, (*the humane*) persisted in floging him,and entreated of him to take the six hundred lashes, it would be over in a few minutes ; but if he persevered in his appeal, he might hear a more awful sentence, he might be shot ! The man by his firmness intimidated the Major, and was cut down ; subsequently brought to a General Court Martial, and *honorably* acquitted of the crime for which he was about to be cruelly and ignominiously lacerated.

In 1818. Major Broughton issued an order to the Bengal European Regiment, at once the most disgusting and depraved of any that was ever issued to any troops in the world ; announcing the opening of the completest den of infamy and pollution, *organized by himself*, and systematically conducted. Twice was it burnt to the ground by the common soldiers ; but thrice did it rear its monstrous head, and maintained its position under a guard of British bayonets The order is far to disgusting to offer for the inspection of the British Public, with these letters ; though it was published in India in a work called, " *The Calcutta Monthly Gazetter*," for May, 1819 ; (and may be had, *gratis*, of any Bookseller, where this Pamphlet is purchased) with the following remarks :—

Extraordinary Regimental Order.

" We give publicity to the following regimental order with the greatest reluctance, regret, and concern. It was transmitted to us in a letter, dated from Dinapore, and signed " A Friend to Reform." The letter contained some remarks upon the nature or contents of the order, but which we have declined publishing, after the most deliberate consideration, in consequence of the severity of those remarks. In a case like the present, remarks are entirely superfluous ; it is susceptible of no aggravation in any way, nor can there be any thing alleged in palliation or justification. For the public weal—for the welfare and honor of the military of all classes in this country, it is sufficient to exhibit the order in its naked state ; the weakest eye will at once perceive its deformities, and the most depraved and abandoned cannot fail of being touched with a cold sensation of horror ! ! !

" It is not upon the mere foundation of the letter which accompanied the order, that we have given belief to its reality : No ; we have otherwise ascertained its genuineness ; it is recorded, and to be found in the regimental orderly book, and there are moreover, numbers of living witnesses to vouch for its having been actually passed, and still unrepealed—a standing monument of disgrace and shame—or a want of, or dereliction from, all moral and religious principle ! ! !"

" In the letter which accompanied the order, is given the case of a young girl, of about eleven years old, the particulars of which are as disgusting as

any thing can possibly be—they are unparalleled for brutality, barbarity, and cruelty; and a desire of avoiding a full disclosure of this offensive case, was also one reason for our withholding the publication of the letter in question."

"It is impossible to believe, that the illustrious personage holding the office of Commander in Chief in India, was ever aware of this order; and we do not hesitate to advance, that when he comes to the knowledge of it, he will not fail to notice it in the manner it deserves. But what shall we think of the British Officers of the Regiment who were present when the order was issued, and who must have been aware of it soon after it passed? Did it arouse their virtuous indignation, and manful but due resistance?—The order surely must be considered as an insult to, and a reproach upon, every officer and soldier who were present in the regiment. We are aware there was some opposition and remonstrance on the part of one individual only. The Surgeon and Assistant Surgeon were especially nominated to the care of this vile and odious establishment."

Now in such a case, and with such remarks as those made in a public Journal, how did the Government of Bengal act? Why, they sent their Chief Secretary to the Printer and Publisher, and demanded the name of the author of the Letter signed "*a Friend to Reform*;" and announced to him, that if he *hesitated* to comply, the Government would instantly prosecute him. The Printer, in this case did not, (as Mr. Buckingham did with Colonel Robinson of his Majesty's 24th Regiment of Foot,) give up his author. No, he refused to obey the mandate;—and furnished them with a copy of the letter he had declined printing; boldly telling them that they were perfectly at liberty to act as they pleased. The Government wisely and prudently dropt their threat; for they were aware that one single discussion in the Supreme Court connected with the affairs of Berhampore, would involve them in utter disgrace. They dreaded the exposure, and therefore continued to screne their favourites.

It is this very same Major Broughton, who, when an Officer at my request waited upon him, on the 8th of October, to mention the complaint that had been preferred against Mr. Wray, and to offer my friendly offices to endeavour to arrange the matter amicably, upon Mr. Wray's making any reasonable atonement to the wounded and insulted men, laughed at the transaction, and said, "it was of *no consequence*, and would blow over like smoke!" At the Court of Inquiry this Major Broughton pays the following eulogium to the character of Wray; then a boy of eighteen years of age:—

"Mr. Wray has been under my immediate command near a twelve month, (a long time indeed) during which time I have had daily opportunities of observing him, in the discharge of the duties of his profession as well as those of social life; and I have no hesitation in saying, that, throughout the whole circle of my acquaintance, I do not know a young man more distinguished by gentleness of his manners, the humanity of his disposition, or the temperance of his habits. I consider his having been guilty of the crime he is charged with as a moral impossibility."

Thirdly—Dr. Brown; Surgeon to the Bengal European Regiment.

This gentleman's salary, allowances for Medicine, to furnish the Hospital with attendants, and medical requisites, exceeded £3,000 a year. But, notwithstanding this handsome and liberal income, such was his neglect of duty, and shameful disregard as to the welfare of his patients, the surgeon acting immediately under him was compelled to remonstrate with him on the impropriety; at the same time pointing out innumerable abuses existing. This was done repeatedly, verbally, and by letter. At last, every effort failing to produce the desired effect, Mr. Peers actually preferred charges against Mr. Brown. The following are extracts from a letter addressed to Mr. Brown, by Mr. Peers, on the 29th of November, 1817; at a time when there were no less than "160 men in the hospital: they were generally brought in in a dying state, and dying almost daily" with the Cholera Morbus.

"There was neither Tinct Opii nor a warm bath to be had; and the only medicines procurable in the hospital, producing no effect, I immediately informed you, by letter, of the patient's imminent danger; that his arms were extended, his joints rigid, knees contracted to his chest; that he had an hickup, and was speechless; and inquired what you would have done, as the means required were not to be obtained."

"Your reply placed me in a situation—without means procurable at the hospital, where they ought always to be ready; without direction as to what you would wish to have done—for I instantly determined upon what I saw to be indispensable; and without either attending yourself in such a case, or meeting the difficulty, you blamed me for what was unavoidable (using Oil of Peppermint externally as well as internally; rather an *expensive* medicine) unless I had let the man die unassisted."

"At this time, also, another case of as great, or greater, severity, (cholera morbus) was brought into the hospital, in a dooly, in which I was naturally led to employ the same means which had, to my conviction, so completely succeeded in the former case; and when you came, at the *usual* visiting time, and more than an hour after the above-named patient had recovered, you found me employing those means; and, to my surprize, immediately renewed the expressions of your disapprobation, in a manner so violent and in terms which appeared to me so very improper in a public ward, and before a large number of men from other wards, assembled round the patient, attracted by his screams, and endeavouring to hold him during his violent contortions from excess of pain, that I must beg leave to notice them, in order that they may be retracted in the same public manner.

"After you had descanted, at some length, with much apparent violence, on the means which had been employed, though you had avoided directing any other, much less the contrary, and saw their good effects, by the then quiescent state of the patient, compared with that violence which the surrounding men informed you had required the force of six persons to restrain; you did, before those men, loudly and violently reprobate those means, and repeated, that "Camphor Lint., or Ol. Tarib., would have answered as well;" though you knew what my answer had stated;" and I now repeat, that we had hourly experience of the failure of the former article; and of the latter there was not, as you also knew, any in the hospital.

"It was at this time that an orderly serjeant came to say, that the warm

bath was ready, *i. e.* three hours after being ordered and wanted for a dying patient. You thought it was ready, but did not ascertain the fact; and when I went to do so, suspecting its truth from experience, I found there was not more than half the quantity of water required; and *had* it been otherwise, this bath would only have been ready for use some time after the patient would (and, I think, inevitably *must*) have been in the dead-house, if not relieved by the very means you were at that moment condemning, and the only ones procurable at all."

After noticing several other insulting expressions and threats publicly made use of by Dr. Brown, Dr. Peers declares his resolutions, unless Mr. Brown publicly apologize for his conduct, and all the abuses were instantly remedied, that he must "request the superintending surgeon would submit the subject to his Excellency the Commander-in-Chief;" and he details "some of those daily occurrences adverted to, as impeding the execution, and frustrating the design of hospital duties;" viz.—

"The general and uniform absence of the hospital attendants, almost to a man, as soon as the medical officers leave it—leaving the patients without the assistance they require; the total impossibility of procuring aid, and what has been required, for such as were sent to the hospital in a dying state; such men having laid there some time unaided. On Sunday, the 2nd inst., I found the patient (Private Logan) lying on a bedstead, where he had been for half an hour at least, not only without help, *dying as he was*, but without his admission being even known, except to those who were in the ward in which he was placed; *nor was any one person whatever* to be found in attendance for some time. The same general neglect, and difficulty in procuring attendants, for such patients as required them individually, and who were unable to assist themselves, prevailed. Some of these, (as Sutherland, who afterwards threw himself out of the upper window in delirium, and was killed) I have seen fall down when going to * * * * * *; and others, as M. Claverly, &c. &c. unable to leave the bed. In the same manner, when such several cases were received daily, and many of them required fomentations to be long continued, and frequently repeated, there were only two men to attend the whole hospital, then containing about 160 patients; and these two men had also to supply all the poultices then wanted, great as that number was also; and I saw (and named) it to be impossible for two men to perform those duties, then required night and day: neglects were incessant and unavoidable. Nor was this all; water not being kept ready heated, was often brought worse than useless, and without proper cloths or flannel to apply it. I saw two men fomented with their own (military) flannel-jackets, for want of other; and this I also mentioned to you at the time. Also, medicines being put into broken bottles, half bottles; and, when they were whole, being left without corks, or any kind of stoppers, as I have seen delivered to the patients and named, and this I shew you. The general inattention that prevails in giving the medicine, in its being wholly omitted, or delayed for hours beyond the proper time; or improper medicine being given, which, at one time, I hardly ever failed to find the case with from one patient to four each time. It was the practice to fill up the bottles with *water*, instead of renewing the medicines; for which purpose a supply was kept in the bottles at the end of the ward. In one case of cutaneous disease, the patient was kept four days without the medicine ordered for him: it was named to you at the time."

Disgusting and abominable as the foregoing details are, they are not all; for they only partially unfold the disgraceful proceedings.

In short, there is scarcely any end to Dr. Peers' exposition of the abuses existing in the hospital of Berhampore. He says, that a dying man, who "repeatedly urged" Mr. Brown to let him have a particular medicine, "as the only one that relieved his cough," Mr. Brown "forbade its being supplied!" That the blistering plaister in use, under Dr. Brown's superintendance, was such as to occasion "very large and deep, serious and extremely painful wounds;" that the men complained, they were blisters "only fit for a horse:" while, from the neglect of the dresser, the "effect was procrastinated for upwards of three weeks;" and, at the very hour Mr. Peers wrote his letter, "the wounds remained unhealed."

Dr. Peels next observed:—

"These are some of the reasons which induced, and so far compelled me to volunteer so much more exertion, than is required by the Honorable the East India Company's Orders for medical service, which led me to the Hospital day and night: on one occasion, fifteen hours out of the twenty-four; another, gave me only two hours out of the same space; another occasion, left me no leisure from six A. M. to nine P. M.

"I saw that unless I did more than my duty, those who did less would leave the patients unsupplied with what I knew to be so very essential, that their very existence depended upon it.

Dr. Peers concludes, with requesting:—

That his letter might "be submitted to the Superintending Surgeon, for the express purpose of (the abuses and insults) being remedied and counteracted; and, in the event of refusal, submitted to the Marquis of Hastings."

The letter of Mr. Peers was handed to Major Broughton, who at once told Mr Keys, that if it reached the ears of the Government, "both himself and Mr. Brown would lose their situations." Mr. Keys, therefore, actually proposed to Mr. Peers, to accept of a written apology for the insults Mr. Brown had offered him; and he pledged himself to see that all the abuses named were rectified. The apology was procured, after some delay, and handed to Dr. Peers; who, then, according to agreement, sent in a letter withdrawing the one he had written to Mr. Brown on the subject of the abuses. No sooner had Dr. Peers withdrawn his letter, than the meanest and most disgraceful stratagem was resorted to to get possession of and destroy it. Mr. Keys applied to Mr. Peers "as a favor to oblige him with the letter of apology to show to Major Broughton, as Commanding Officer and he would safely and speedily return it." Dr. Peers knew to well the individual he had to deal with, not to suspect that there was some trick in it, and he, therefore, declined a compliance; stating, that "the men had not seen it, and that no use had been made of it." Still Mr. Keys persisted in his demand; and required to know, if Mr. Peers "*doubted his promise*" to return it:—and he renewed his expressions "*have I not given you my pledge to return it you soon and safe?*" The apology was committed to his custody. When Mr. Peers applied for its re-

turn, Mr. Keys told him very deliberately and with much indifference, "*that himself and the Major had destroyed it!*"

Such was the conduct of Mr. Keys. A more perfidious, base, and detestable action, could scarcely be contemplated —

But this was not all.—Mr. Peers officially applied to Mr. Keys, announcing that if another apology, similar to the one destroyed, was not procured and given to him, that he should renew his charges against Mr. Brown, as the "*specific design*" for which it had been procured, by Dr. Keys, had not been effected.

As soon as Major Broughton and Mr. Keys saw the serious earnestness with which Mr. Peers pursued his design, Mr. Peers was directed to attend at Dr. Key's quarters, and then and there, in the presence of several persons, a most severe repremand was read to him by the Staff of the Station, by the command of Major Broughton, "for the "*improper style*," and "*unwarrantable accusations*" contained in his letter to Dr. Brown; and "threatened by Major Broughton, that if he *presumed* to agitate the matter again, he should be brought to a Court Martial."

Mr. Peers then requested the whole proceedings to be forwarded to the Commander-in-Chief, Major Broughton refused so to do; although the Articles of War declare, that any Officer of a Troop, Company, or Regiment, who shall refuse to forward the complaint of an inferior against his superior, shall be dismissed the service.

Mr. Peers, next, forwards his complaint direct to the Commanding Officer of the district, Major-General Sullivan Wood, with a becoming and modest representation of facts. The Commanding Officer of the district forwards it to the Adjutant-General, and the Adjutant-General replies:

I am directed to convey to you the Commander-in-Chief's sentiments, in the following *brief decision*, upon the conduct of the Assistant Surgeon, who has so *wantonly obtruded* himself upon his Excellency's notice. The Commander-in-Chief has no intention of entering into any consideration of the various occurrences alluded to, in Assistant Surgeon Peer's letter to Surgeon Brown; which when considered as an address from an inferior to a superior officer, touching points of duty, performed under the eye of the head of the department; Dr. Keys, seems so preposterous a production, as to occasion doubts of the writer being in a sound mind.

The prompt manner in which Lord Hastings declared his resolution not to enter "*into any consideration of the various occurences*" detailed in Mr. Peers letter to Mr. Brown, must at once afford a tolerable proof of the impartial, just, and honorable manner in which his Lordship discharged the sacred and important functions of his office.

Let us see how it accords with his high sounding, and pompous, admonition to the students of the College of Fort William, on the 16th of July, 1821:—

"When appeals for your intervention occur, it will be sufficient, if each of you say to himself:—" the indigent requires a sustaining hand, the dis-

tressed requires soothing, the perplexed requires counsel, the oppressed requires countenance, the injured requires redress: they who present themselves to me in these predicaments are my fellow-men, and I am a Briton."

As I have, on a former occasion, said, I repeat again; well might the Marquis of Hastings and his friends be proud—perhaps very proud, of this fine manual of instructions, containing such a fine flow of moral, civil, political eloquence, if it were not for the confounding, contradictory, and irreconcilably contrasted documents which are upon record.

But the further we proceed, the more difficult will it be to believe that a country enlightened by such doctrines, could be subject to such gross violation of British law.

His Lordship affects to disbelieve the charges of Mr. Peers, because, they "*touch points of duty performed under the eye of the head of the Department, Dr. Keys.*" This circumstance so far from causing his Lordship to doubt the truth of Mr. Peers's allegations, ought to have been a most powerful reason to have induced a ready conviction in his Lordship's mind of the necessity of an immediate investigation.

Lord Hastings, but a year or two before, had sent Mr. Keys to Java, as the superintending Surgeon of that Island. Mr. Keys did not long remain there, for his conduct was so much disapproved of by the authorities of the Island, that they sent him back to Bengal, in the very teeth of his patron. I merely mention the fact; the causes are not material here. Immediately upon Mr. Keys's return to Bengal, Lord Hastings, *true to his favorites*, immediately re-establishes a lucrative situation, which but a short time before had been abolished, as perfectly useless, on purpose for this Mr. Keys. But his Lordship knew who he was obliging; he was perfectly aware that Mr. Keys was married to a sister of one of the Lady Wynns.

With the many *extraordinary* facts that have already been laid before the public regarding Lord Hastings's administration, it will not be doubted the motives for his conduct to Mr. Peers when he directed the Adjutant-General further to observe:

If the assembly of a General Court Martial at Berhampore were less inconvenient than it is, his Lordship would not think it proper to submit to a judicial enquiry, such a confused mass of ill-grounded and vexatious complaints; not against Surgeon Brown only, but the superintending Surgeon, and the Commanding Officer of the Regiment; both of whom (if Dr. Peers's assertions have any foundation which is not believed) would be more culpable than Mr. Brown. Having premised thus far, I now proceed to intimate his Excellency's decision on the first point above noticed.

Assistant Surgeon Peers is to be called upon to make an ample apology to Surgeon Brown, for the *highly offensive and indecorous letter* addressed to him, the assistant Surgeon's superior officer; the apology is to be dictated by the Commanding Officer of the Regiment, (*Major Broughton*) and approved by the Officer commanding the station; in whose presence, attended by Major Broughton, the superintending Surgeon, and Staff of the Station, and the two senior Captains of the Regiment, the apology is to be read and tendered to Mr. Brown by Dr. Peers, and then lodged with the Commanding

Officer of the Corps. You will cause it at the same time to be signified to assistant Surgeon Peers, that if he hesitates to comply, or shews any disposition to give any further trouble, his Lordship is prepared to recommend to Government that Mr. Peers may be suspended from the Service, as a person wholly disqualified, by his obstinate disregard of all order and subordination, and by his irritable and litigious temper for any duty.

According to this most extraordinary, oppressive, and wicked resolution, Mr. Peers was summoned to attend upon the Commanding Officer of Berhampore, Colonel (now Major General) Pine, the letter was read to him, and, without a moments leisure to reflect, the following apology was presented for his acceptance :—

His Excellency, the Most Noble (what a profligate prostitution of words) the Commander-in-Chief, having conveyed, through the medium of the general Officer commanding at the Presidency, his disapprobation of my letter of the 29th of November, to your address (Mr. Brown's) and his opinion that it was in its style and tenour, offensive and indecorous; I beg leave, in obedience to his Excellency's commands, to apologise to you for the same; and to add a hope that my inexperience in all military matters may be received as the real cause of my error. C. Peers.

It will have been observed, that the decisive tone of the Commander-in-Chief, admitted of no "*hesitation*" complying with the demand, under the penalty of instant "*suspension from the service.*" Dr. Peers, therefore, complied with the demand. Subsequently, however, applying for an opportunity leisurely to "re-peruse the letter from head quarters;" and finding it to "contain so many points" which he was "unable to apply to" himself: and "perceiving that the apology," was particularized to be for "the letter" he had sent to Mr. Browne; he withdrew the apology, thus hastily and forcibly wrested from him, under threats and penalties; and he declared that, however ready and willing to apologize for "any improper expressions that might have escaped him, in his ignorance of military affairs;" (*i. e.* abject military submission, bearing upon a most degrading surrender of all the rights of man) he could not, "consistent with his duty, apologize for known facts;" and that he had thought that he was "only to apologize for a military indecorum, ignorantly committed," when he "evinced his ready obedience to the injunctions of the Commander-in-Chief; and therefore he "disclaimed the apology as" his.

Upon the communication of this resolution of Dr. Peers's; his Lordship appears not only to have lost his temper, but all sight of the usual cunning, and policy, which generally guided him on such occasions. He quite forgot, that but a few days before he had declared, as his motive for not giving credit to the charges Mr. Peers had made against Mr. Brown, and as a reason why he would not "*enter into any consideration of the various occurrences detailed*, his "*doubts of* Mr. Peers "*being in a sound state of mind.*" Nevertheless, and notwithstanding this conviction in his Lordship's mind, he actually issued general orders for the trial by General

Court Martial of Dr. Peers, on three charges;—the two first wholly unconnected with the then subject of discussion—the third for disclaiming the apology. "Such conduct being unworthy of an officer and a gentleman, insubordinate, contumaceous, disrespectful, and subversive of good order and military discipline." And an additional charge :—

"For having in a letter, under date the 15th of September, to the address of the Adjutant General, made the following assertion: 'I could have summoned nearly the whole Regiment, instead of such only (meaning one hundred and three witnesses) as have volunteered, without my solicitation.'—Such assertion (that the individuals specified volunteered to give their testimony) being a positive and deliberate falsehood, disgraceful to the character of a gentleman."

Major General John Gordon, of the 5th Native Cavalry, was the President of the Court Martial.

Upon the opening of the Court, Mr. Peers addressed them.

"Mr. President, and Gentlemen of Court.—Before the proceedings commence, I would very respectfully beg leave to enter the following protest:

I, Charles Peers, M. D., in the service of the Honorable East India company, do hereby respectfully, but most solemnly, protest against being tried on the charges now exhibited against me,—BECAUSE they are founded upon complaint of mine, made in strict conformity with the first article of the twelfth section of the articles of war, under the head of "Redressing Wrongs;" but which complaint has not yet been enquired into, nor have any of the allegations therein contained, been proved by a competent tribunal to be false or groundless; nor has any other notice whatever been taken of such, my complaint, than naming a prosecutor to prefer charges against me, contrary to the rule and discipline of war; such a proceeding doing away with a l means of REDRESS for an officer, whatever ill usage he may have received.

But this protest of Dr. Peers could neither arouse the Government to a feeling of justice, or inspire them with a dread of shame. The Judge-Advocate, Lieut. Col. Bryant, (a most particular and intimate friend of Major Broughton's) replied; to the charges :—Guilty or not guilty?—and the trial proceeded.

The Defence of Dr. Peers was long, able, and very important. Hosts of witnesses appeared to offer their testimony to prove that his conduct had been, upon all occasions, such, as not only to gain him their confidence and respect, but universal regard and esteem. They declared that they had volunteered their evidence as soon as they heard of his persecution: some, that they would walk a 100 miles to serve him; while others stated, that Major Broughton had been tampering with them, and endeavouring to intimidate them from giving their testimony; and had demanded to know what they had to say. The Defence, however, is too important to be wholly passed by; and I therefore give the following extract:

"Facts which I then stated, I was willing and ready to prove; and which I beg leave now to repeat, Mr. President and Gentlemen, I am now willing and ready to prove; and I request that this may be noticed accordingly. It is true, Mr. President and Gentlemen, I was no soldier:—I never had been.

I was taken from a civil station, at twenty four hours notice, and sent with a detachment to join the European Regiment. Perfectly ignorant of all military matters, in every sense of the word, I had yet to learn that what I saw my superior do, I must see in silence. I acted with those common feelings which ought to influence every professional man, who is anxious for the welfare and safety of his patients; and I thought when I saw them in want of what that safety and that welfare made indispensable, I had only to represent to my immediate superiors, and all would be right. I stated that men were coming in dying with cholera morbus, and no medicine to give them—that water was given for medicine, and other numerous abuses; but all in vain. Repeatedly, daily, I shewed the abuses—pointed out particulars; but all in vain. Then to my next superior, the superintending Surgeon, Doctor Keys, who, though unknown to me, being at variance with the Surgeon, would pay no attention, and told me I must complain publicly; and that, unless I did so, he would not notice them. Long I declined this, to avoid the quarrel I foresaw, till I was absolutely goaded to do what I at length did.

"I cannot but feel particularly hurt at the manner in which it appears to me the whole of the proceedings against me have been conducted; in which the forms, commonly observed on such occasions, have been departed from, with a view, as it has seemed to me, to injure and distress my feelings, from the first intimation of my trial, which was put into public orders; not, I believe, usual on such occasions.

The confinement I have experienced for more than two months, which has so materially added to the general ill-health I have experienced for more than two years; the manner in which *official* communications have been worded, with what appeared to me a peculiar degree of harshness; some of them not transmitted till two days after their being written, as in the Advocate General's letter, dated the 13th of October, but not delivered to me until the afternoon of the 15th, although calling upon me to answer "without delay"—to name the specific purposes for which each of the witnesses named in my letter were required, that he, the Judge Advocate, might be enabled to judge of the expediency of summoning them; nor can I omit to mention, that to me, my leave to consult my legal adviser, which was made on the day the prosecution closed, and was then discussed in this Honourable Court, has never been noticed at all, or have I received any answer, or had permission to leave the fort for that purpose, though usually and generally allowed to others: all which circumstances, I cannot but feel as personal hardships, not usually exercised on most occasions, independently of that most material and essential one, by which the great cause of complaint has been witheld, and I have been prevented from justifying myself by referring to it, while charges are preferred against me, precluding me from that advantage, as well as the witnesses I required being witheld, and thus every advantage taken to exclude me from the means of justification, while it almost unavoidably involved me in what was wholly inapplicable to me, by every means of fair and honorable construction."

These statements of Dr. Peers, form a beautiful picture of the methods my Lord Hastings had of *administering justice.*

Another transaction is worthy of notice. It appears that during the trial the conduct of the Judge Advocate was so dictatorial, overbearing, illegal, and improper, as to call forth the repeated interference of the members of the Court Martial; so much so, as that when he found he could not exactly have every thing his own way; he threatened, more than once, to quit the Court. It was a pity that he did not; a still greater pity, that the Court Martial

did no insist upon his doing so ;—and then reporting his conduct to Government.

To the independence of the President, Major General Gordon, and several Officers of His Majesty's Regiments, Mr. Peers was indebted for his not being totally ruined ; and to no other cause. The Court found Mr. Peers guilty, of "*irregularly forwarding a letter to the Commander-in-Chief*"—on the second charge they acquitted him—of the third they found him guilty of disclaiming the apology made to Mr. Browne, under the influence of the threats of the Commander-in-Chief—but they acquitted him of the heinous part of the charge, "*under the false pretence* that time had not been afforded to him to peruse at leisure the letter of the Adjutant General, conveying the Commander-in-Chief's decision upon his reference, and his Excellency's orders for him to make the apology in question." And of the additional charge, that he "could have summoned nearly the whole regiment, instead of such only (meaning 103 witnesses) as had volunteered, without his solicitation ; being a positive and deliberate falsehood, disgraceful to the character of a gentleman ;" they pronounced him "*not guilty*," and further declared, that they did "*fully and honourably acquit him.*"

Thus terminated those abominable proceedings, to the everlasting shame and disgrace of the Government of India. An ignominious and base conspiracy, conducted in the poorest manner, but with the utmost rancour and malice ; leaving its infamy indellibly signed upon record.

It might be supposed, that the Commander-in-Chief, upon the conclusion of the Court Martial, instantly took measures to have the complaint of Dr. Peers, regarding the abuses in the hospital, investigated ; but not so. No ; my Lord Hastings was not that disinterested, zealous, and independent personage, he wished to be thought ; and his favorites and flatterers made him appear. His Lordship was a man of words ; his actions belied his doctrine.—His memorable speech to the students at the college of Fort William, in 1821, spoken for the express purpose of being introduced into the Newspapers in India, to be transcribed here, was all froth—all nonsense ;—destitute of meaning, as it was of sincerity—and alone intended to cover the workings of a cold, cruel, and unfeeling heart.*

How is the following passage to be reconciled with the facts which have been detailed ?

"It is not by correctness in your own transactions alone that your duty is to be fulfilled ; each of you, must sternly and steadily expose any laxity he

* See Gordon's History of the American War for an account of this virtuous, humane, and honest man.

shall perceive in others. A special pledge of honor must be understood as reciprocally existing among all the servants of the Honourable Company, for the humane, the upright, the energetic discharge of their several functions; so that he who may be *found failing*, should be deemed to have *broken his word* to his comrades, and to have forfeited every pretension to forbearance."

It seems to be almost impossible, that the supreme head of a Government, uttering with his own lips such instructions for a system of private duty, leading to the discharge of those public duties, from whence all good can be supposed to originate; when it is observed what principles of conduct he inculcates, the virtues he recommends; and with the apparent high example by which they were inculcated, recommended and authorised; it seems incredible, that the head of a Government delivering instructions, in unison, in a greater or less degree, with every ramnification of human conduct, from the highest to the lowest portion of active existence, in the important ruling scene of Oriental Government, should himself have been guilty of such aberration as has been detailed.

It is now requisite to draw the reader's attention from the actions of my Lord Hastings to the conduct of Major Broughton, Mr. Keys, and Mr. Brown.

It would almost appear to be superfluous to say one word more regarding either of those gentlemen, by way of illustrating, from their actions, the notions they must have entertained of "*gentleman-like demeanour on all occasions of public duty, or private association;*" and how far they may be accused of "gentleness of manners, and humanity of disposition;" but I will relate one circumstance which I heard of Mr. Brown, and which I know was commonly talked of, and I believe to be perfectly true, that will in the strongest possible light demonstrate, "*his humanity to all under his care on the bed of sickness.*"

Mr. Brown had but a short time been Surgeon to the European Regiment; previous to which he was Surgeon to one of the Battalions of Artillery at Dum-Dum. At the time he was with the Artillery there was a man whom Mr. Brown suspected of entering the hospital merely to sculk from his duties. Under this supposition Mr. Brown, by way of an experiment, covered the man with blisters of so desperate and inveterate a nature, that the wounds they inflicted baffled all the powers of medicine to heal. The unfortunate creature lingered for three weeks, induring the greatest of agonies; and then expired! No sooner was he dead, than the men of the Regiment rushed to the Bungalow of Mr. Brown; (little doubt but with an intention of murdering him) fortunately for Mr. Brown, he was absent in Calcutta; but so great was the exasperation and fury of the men, that they took Mrs. Brown and her children out of the Bungalow, and burnt it to the ground. Mr. Brown never more returned to the Artillery; and by INTEREST! got *removed* to the Bengal European Regiment.

If this circumstance is not true, it may easily be denied, because there are many Officers in England now who were present at the time alluded to; as also privates. I should be happy to hear it was untrue; and to see it contradicted by any gentleman who will give his name.

These occurrences will certainly appear to the British public of an incredible nature; both as regards the perpetrators, as well as the authorities who winked at them!—But, bad, and lamentable, as they are, they are not the worst of facts that I could name.

Never was there a man in existence who acted with such gross inconsistency as the Marquis of Hastings; and posterity will give him full credit for it. To-day he punished; and to-morrow he rewarded, for the same action. He would blow hot and cold in the same breath. Did he not declared, that "*whenever any of the servants of the India Company were found failing in the upright discharge of their functions, they must be deemed to have forfeited all pretension to forbearance.*" Yet, after Major Mathews, one of his aid-de-camps, had been dismissed the service by the sentence of a general Court Martial; subsequently cashiered by a revised sentence, for robbery and swindling;—he gave him the pension of a Major! Mr. Ravenscroft, the Collector of Town duties of Calcutta was suspended by his Lordship for embezzlement of the public funds: subsequently he was made Collector of Cawnpore; and there again he committed fresh depredations, and at last absconded to the territories of the King of Oude; (an asylum for all the desperate European vagrants of the east) where he was killed by the Shingall Khoores, or Jackall eaters! Mr. Treves, as Collector of port Customs of Calcutta, was removed from office for an enormous deficiency in his accounts, and burning almost all the records of his office; but subsequently he was made Post-Master General! Major General Marley was disgraced by being removed from the Command of a division of the Army in the Field, and also from the staff; but, subsequently, Lord Hastings gave him a far better thing—the command of a Garrison:—a lucrative sinecure for life! Even these temporary punishments were not inflicted until necessity compelled it. The whole of the district of Cuttack was thrown, in 1816, into open rebellion by the rapacity and iniquities of the Magistrate—complaints were innumerable and incessant; but no notice was taken of them until such time as the inhabitants fled by thousands, and tens of thousands, from the plains, and deserted their towns, driving their cattle into the neighbouring mountains, there to take shelter in the forest with the wild brute creation. The Magistrate was then removed—suspended—and came to England, and, I believe, dismissed by the East Indian Directors! But it was months, many months, before the Natives could be induced to return; and the Company lost in their Revenue some hundred thousand Pounds.

But to revert to Major Broughton, Mr. Brown, and Mr. Keys; Such were the gentlemen who came forward to vouch for Mr. Wray's "gentleness of manners, mildness of disposition, his benevolence and humanity."

If character was to have decided the question, between the accused, and the accusing parties, impartiality ought to have invited the NativeOfficers to have given similar testimony; and they should have had the benefit of the presumptions in support of their complaint, which an equally good character was likely to have created; whether persons of their well known "*mild*, gentle, humane, and benevolent dispositions, were likely to have preferred such serious charges if groundless.

Lastly;—If character was to have decided the question, I hope, it will be admitted, that before my Lord Hastings took upon himself to disgrace me by removing me from office; more so before he dared ventured to pronounce, that I had "violated my moral and professional duty," and "encouraged individuals under my command to make depositions that were strongly tainted with a presumption of perjury;"—if Lord Hastings, had doubted the truth of an assertion he had made but a few months before, of his being "*mindful of my merits as an officer;*" he might have enquired a little before he drew such hasty, such unfounded, and base conclusions. I might indeed have been asked to have produced testimonials of character; I might have been, subsequently, allowed to have done so before a CourtMartial; and I then should have produced those with whom I had been in constant habits of the closest intimacy, and have shewn how improbable it was. I would have produced many General Officers, and civilans of the oldest standing, and highest respectability, to shew that it was very unlikely, from my habits and disposition, that I could have been guilty of such an offence. I could have produced that well known and highly respected officer Lieutenant General Morris, to prove that throughout the affair I acted with his advice. Indeed, I have his written opinion given to me at the moment. I was at dinner with him on the evening of the 7th of October, when the occurrence happened. In his presence the first report was made; and I refused, at the moment, to receive it until the morning, considering it to have been the result of an accident. When the Officers had made their formal complaint on the morning of the 8th, and I had ascertained that my overtures to Major Broughton were treated with contempt, I sent a note to General Morris, with a copy of my first letter to the magistrate for his perusal;—in reply the General wrote me word:

MY DEAR WHITE,

Under these circumstances, you have no alternative but to let the Magistrate act in the affair as he thinks proper; and if he takes it up in the light I think he will, it will be no laughing matter. I am glad you have gained this information on your own account; it will convince the

world that you have not taken it up in any other light than your duty towards your men.

Your's ever,

8th Oct. J. Morris.

Before I despatched my letter of the 14th of October to the Magistrate, I sent it to General Morris; he wrote me word back:

My dear White,

Your letter is a very proper one; it is absolutely necessary to put a stop to such proceedings. Hear from the Magistrate again before you post the sentinels; for your interference unless through that channel may get you into trouble.

Your's ever,

J. Morris.

These are the "Private communications," which I mentioned to the Court of Directors, in my letter, of the 21st of July, 1820, "I was" in possession of, "and that I" wished privately to communicate; but from their nature, I felt that I could not with propriety publicly do so.

Those were the opinions of an Officer, Lord Hastings, the Marchioness of Hastings, and his suit, condescended to live with for four or five days. A gentleman well known to all the first people in Bengal; and I believe I may say, without giving offence, a personal friend of one of the most respectable Noblemen that ever governed India, the Marquis of Welesley.

I fear that I have already tresspassed too far upon the attention of the public my affairs, and which, though of a public character, may by many still be considered too much of a private nature to warrant such a lengthened obtrusion. But still I hope to be excused if I take the liberty to encroach a little further in consequence of the zeal and assiduity with which my enemies have employed themselves, to brand my character in India, and in England, as an individual dismissed from the service of the East India Company; a word, the very sound of which, instantly conveys to the mind of the most thoughtless auditor, a thorough conviction of moral turpitude and baseness as having produced it.

If I had, in India, for a moment been supposed to have been guilty of the offences Lord Hastings laid to my charge, I presume, it will be taken as a matter of course, that no officers would have associated with me; but the very reverse happens to have been the state of the case. Many general Officers, and Civilians, of the highest rank, were in the habits of close intimacy with me up to the hour of my embarkation.

I was constantly received at the Mess Table of His Majesty's Regiment on duty at Fort William, where I met many Officers on the Staff of my Lord Hastings · and I kept house, conjointly, with an Officer who was employed in the office of the Military Secretary of the Commander in Chief. In Sept. 1819, when I returned to

Berhampore for two days, to arrange some of my property previous to my embarkation, my friend General Morris being absent, I occupied his house; his carriages and servants were as much at my disposal as though they were my own. I was not six hours at Berhampore before the Nawab paid me a visit from Moorshedabad. On the same day I was honored with the following invitaion :—

Lieut. Colonel Mc'Leod and the Bachelors of the 59th (H.M.) Regiment, requests the honor of Lieutenant White's company, to a ball and supper, on Friday, the 31 Inst. at eight o'clock:

Berhampore, Dec. 20, 1819.

This invitation was the more pleasing, because it came from Officers with whom I had not the honor of a single personal acquaintance. I had never before met the corps. This invitation, be it remembered, was given to meet the society at the very place where my character had been so traduced and branded by my Lord Hastings.

After my arrival in England, my friend General Morris corresponded with me to the day of his death. I will quote one of his letters to shew his friendly style :—

Oct. 28th, 1821.

My Dear White,

I have received both your letters, and fail not to answer your last promptly. Ere this reaches you, I hope you are happy in the marriage state; and even in the honey-moon, a letter from an old friend, who has sincerely your welfare at heart, will be acceptable. I shall be sincerely glad to see you again in India; and if either of my houses at Barrackpore are without tenants, you may move into them on your arrival. Mrs. White will be happier there than in the unhospitable town of Calcutta, &c.

I told you in my last that the Nawab of Bengal was dead, and that his Brother was on the musnud. He paid me a visit in great state a few days ago, and asked kindly about you. You will find a friend in him when you return here.

With sincere and hearty wishes for your good health and happiness,

Ever yours affectionately,

while,

J. Morris.

Having failed in my applications to the Court of Directors to be informed as to the nature of the orders that had been transmitted to India on my case; and having, from private letters from India, learnt that it was very inimicable to my future interests, I resolved to await in England a few months for the receipt of letters I was expecting from India on the transaction. I accordingly applied to the Court for a little extension of leave of absence—and to which they replied :—

East India-House, 4th of October, 1822.

Sir,

I laid before the Court of Directors of the East India Company, your letter, requesting permission to remain in this country until the sailing of the last ships of next season, your Furlough, expiring on the 28th of Feb. next; and in reply, I am commanded to acquaint you, that the Court declino complying with your request.

To Captain White. P. Auber, Assistant Secretary.

When the foregoing letter was received, I wrote again :—

Honorable Sirs,

I have received Mr. Assistant Secretary Auber's letter of the 4th instant, informing me that your Honourable Court have declined complying with my request, to be allowed to remain in England until the sailing of the last ships of this season.

I must now inform your Honourable Court of the causes which have occasioned my delay in England, as well as that of my wish to remain.

The laconic and unsatisfactory reply that was made to my memorial by your Honourable Court, together with the mystery as to the orders sent to India, and the positive refusal to allow me a copy of your dispatch upon my own case, induced me to await the arrival from India of information as to their tenor. Some short time since I heard that *no redress* had been afforded to those highly injured Officers who were connected with my appeal,and that severe censure had been passed, by your Honourable Court, upon my conduct, for discharging my duty as the law directed: together with strictures on other points.

As I had been promised an early remittance of a detailed account, I wished to have awaited the arrival; that I might thence have judged of the line of conduct most desirable to pursue.

I lament that your Honourable Court has forced me to revert to these transactions.

I must now be excused, notwithstanding you have refused,again intreating that I may be furnished with a copy of your despatch to India, so far as regards myself; that I may thence know what I have to expect at the hands of the Government there: so that I may save myself the trouble and the expence of going out to India, provided it should appear to me that my situation in your army is not. in every respect, as respectable and honourable, as it was previous to its being stigmatized by the Governor General the Marquis of Hastings.

I implore you to consider the equity of this request, as, upon your declining it, I am free to confess, I shall be *compelled* in justice to myself to resign your service.

Oct. 11, 1822. W. White.

But this letter failed to produce any effect upon the minds of the East India Directors; and I was furnished with the following reply :—

East India House, 17th of Oct. 1822.

Sir,

Having laid before the Court of Directors of the East India Company, your letter of the 11th instant, I have received their commands to acquaint you in reply that, they cannot depart from the decision passed on your former application, to be furnished with a copy of their despatch to the Government of Bengal, on the circumstances of your case; and which was communicated to you in my letter of the 22nd of November, 1821.

To Captain White. J. Dart, Secretary.

The receipt of this letter put an end to all hopes of the remotest shadow of justice; and satisfied my mind, that by the concealment of the documents, the Directors had done that which they were ashamed of. Indeed I had heard, and I believe there is no doubt whatever of the fact, that the Board of Controul, with Mr.Canning as President, had on many points disagreed with the East India Directors; that more than one dispatch that had been framed upon

my case, had been disapproved of by the Board, rejected—and returned with innumerable erasures.

My patience was exhausted, my temper was gone, my mind was harrassed; and indignant at the unrelenting tyranny and injustice of my masters, I sent in my resignation, couched in terms, I cannot but admit, offensive and objectionable: but for which some excuse must be made.—The Directors had approved of conduct illegal and unjust; and which had been endeavoured to be supported by falsehood and injustice. There was no line in the public prostitution of justice, which did not appear to meet with their approbation. Their resolutions had none of the properties by which law is distinguished from mere will and pleasure; and their decrees carried upon their face, every emblem of arbitrary and despotic power, capriciously applied, and obdurately maintained. My resignation was, therefore, transmitted on the 30th of November, 1822, in the following manner:—

To the Honourable the Court of Directors for the affairs of India.

Honourable Sirs,

I have to acknowledge the receipt of Mr. Secretary Dart's letter of the 17th of October, conveying the resolution of your Court, to adhere to the decision past on my former application to be furnished with a copy of your dispatch to the Government of Bengal, on the circumstances of my case; and which was communicated to me by Mr. Secretary Dart, on the 22nd of November, 1821.

Your Court, by having sanctioned and countenanced the grossest violation of the laws, are holding out encouragement to your Governors to act with unbounded and despotic power; and at the same time recording another instance of the bad faith of the English East India Company. Your Officers, European and Native, must also be aware, if this further proof was necessary, how much their welfare and interest is regarded in Leadenhall Street, in London; as well as of the abject state of submission and slavery to which they are reduced, by the surrender of their birth-rights and privileges as men—in being the willing tools and instruments not only of the slavery of millions of their fellow creatures, but tacitly submitting to be robbed and insulted. What has been my fate to-day, may be theirs to-morrow—and time will convince them of the folly of an appeal to your "*justice and wisdom*;" as also of the necessity, while they have the means in their hands, of redressing their own wrongs and injuries.

You are generously pleased, after the ruin of my fortune, and best prospects in the service, through an adherence to the laws, to allow me to continue to serve as a Captain in your Army, stigmatized with imputations recorded against me, which disgrace your Journals as long as I am permitted to hold my commission: a stigma, that while you have not the candour or justice to acquit me of, you dare not attempt to establish.

I have two points to choose between—the one is the courting the professed golden prospects in embrio, arising from a servitude, which, to me, under existing circumstances, would be little better than transportation; or that of retiring in disgust; with the solitary consolation, of peace of mind, which it has been out of the power of your Government in India, or your Court here to deprive me of.—The latter I embrace.—Accept then, Honourable Sirs, my resignation of your service; and herewith receive back your Commissions; and let my resignation have all possible publicity, by directing this letter to be published to your army and service at large.

You have now, Honourable Sirs, no longer to contend with an humble and weak individual; you have the united wisdom and feelings of the proprietors of Stock to deal with: those from whom you derive your vast power and patronage, and to whom you are accountable. You have moreover to expect the indignation of the British public at large, and the probable consequences attending the injury and the insult you, and your Governments in India, in the name of the English East India Company, have offered to them, by the violation of their laws—and a most unmerciful distribution of injustice and oppression.

I am, Honourable Sirs,

Your's, &c. &c.

W. WHITE.

I next addressed a letter to the Proprietors of India Stock, giving them the full particulars, copies of the correspondence; and the Court of Inquiry. I circulated it widely—I gave it into the hands of Mr. Hume, the Hon. Mr. Kinnaird, Mr. Randall Jackson, and others. I entreated of them to bring the case before a general Court of Proprietors—but they one and all declined. Lord Hastings was their idol:—it would have been worse than sacrilege to have said a word, or done ought which would lead to a disclosure of his character.

Some years afterwards, I discovered from an Indian newspaper that the East India Directors had, on the 16th day of April, 1823, that is four months and a half posterior to the date of my resignation; thought proper to brand me in the estimation of the whole of the Bengal army, as a person whom they had dismissed from their service.—And, accordingly, it was publicly gazetted:

Fort William, 27th of Sept. 1823.

The Governor General in Council, is pleased to direct that the following general Letter from the Honourable the Court of Directors, in the military department, be published in general Orders.

General Letter, dated the 6th of April, 1823.—(*Extract.*)—We desire the name of Lieutenant and Brevet Captain William White, of your establishment, may be struck off the list of the Army, from the 22nd of August, 1823.

And this dismissal was rendered the more pointed by its republication again at the expiration of a months:—Oct. 23, 1823.

The Governor General in Council is pleased to make the following promotion:

15th Regiment of Native Infantry.

Ensign W. H. Leacock to be Lieutenant, vice White struck off.

Such was the last cruel, and vindictive measure, of the Directors of the East India Company towards me, after having had my name on the list of their army for a period of sixteen years;—a measure that has branded me as a worthless subject, and ruined every prospect I had in life, either of domestic happiness, or wordly prosperity, for by it I have been viewed and shunned as a man dismissed from an honorable service; and every effort that has been made by myself, or by my friends, to promote my welfare, and to obtain an honourable employment, has been abruptly ar-

rested by significant insinuations, or the more broad and bold assertion—he was dismissed from the Company's service. But this last act of the Directors, reminds me of the marked and most pointed manner in which Lord Hastings removed me from Moorshedabad:—he was not content with the insulting and offensive letter he had directed to be addressed to me, but to make the degradation the more abominable, out of several thousands of officers, he selected, to superseded me in my appointment, the next junior Officer to myself from the very Regiment of the line I belonged to; and to which Regiment he had ordered me to repair to and resume my duties.

While the motives which have induced me to appeal to the British nation have been sufficiently explained, the following letters will prove the reluctance with which I have been forced into the expedient:—

To the Court of Directors of the East India Company.

Honourable Sirs,

In December last, I expressed to the Chairman of your Honourable Court, both verbally and by letter, the great regret and concern with which I reviewed the circumstances which had deprived me of your service, and had compelled me to resort to my pen as a means of obtaining a living. I entreated that before censure was cast upon me for my political writings,* that the causes which had provoked such irretability of mind and unfavorable impressions, should be impartially considered, and duly allowed for. I, also, ventured to express a hope, that, as three years had since elapsed, the angry feelings which those writings were calculated to produce, might have subsided; and that however late in the day the Directors might be disposed to listen to an application to take a retrospective view of the events which had led to my appeal to the Court of Directors; that they would leniently and favorably take into consideration the many years of my life that had been engaged in their service, and the condition in life to which those circumstances has reduced me; and with a magnanimity, worthy of so great and powerful a body, they might be pleased, as far as circumstances would admit of, to shew their liberality towards an injured servant. Unhappily, however, from all that I could collect from your worthy Chairman, it appeared that there were no hopes of any such favourable issue; and, under those circumstances, I relinquished, as I then stated, troubling your Honourable Court with any application; and I declared my resolution of appealing to the King.

My Petition to His Majesty having failed in its object, viz.:—to obtain a public investigation into the circumstances which led to my Memorial to your Honourable Court, regarding the wounding of the Officers of the Provincial Battalion of Moorshedabad by Mr. Wray; there appears no alternative but publishing my Petition, with "an *Appeal to the British Nation.*" However, previous to taking such a step, I have thought there would be no great harm, even should it fail, were I to make one more solemn appeal to the liberal consideration, justice, and benevolence of your Honourable Court.

* Exposures which were made in The British and Indian Observer, (Sunday Newspaper) of abuses in India.

Having stated that I have presented a Petition to the King, it were proper that I should submit a copy of it for your perusal, as also copies of the replies that I have received. But while doing so, I must beg to declare, that in presenting it I have not the remotest intention of offering the slightest disrespect to your Honourable Court. It is proper that you should see it for more reasons than one. The object I have, first, in view, is to be open and candid; secondly, trusting that there are circumstances detailed in the Petition which may possibly induce your Honourable Court, to believe that I have been a persecuted and injured man in India. If such a conviction can be established in the minds of your Honourable Court, it may partially change the view of my case, cause allowances to be made that otherwise could not, and, lastly, induce your Honourable Court, as far as your dignity and honour would admit of, to shew that liberality which has marked your rule, and, hitherto, never been called in question, to an old, faithful, but unfortunate, Servant.

It would be difficult to prevail upon your Honourable Court to believe that there was sincerity in any regret I might express for any part of my political offences; but I trust that the disposition I now demonstrate to sin no more, may induce your Honourable Court to form the charitable conclusion, that I have a sincere desire to avoid intruding myself upon the notice of the public again.

While making this last appeal to the liberality and benevolence of your Honourable Court, I will not attempt to disguise my expectations by expressing any very sanguine hopes of success. But still it is possible, for many more serious, important, and knotty points have been arranged by the benevolence of your Honourable Court. In my case, however, unfortunately, there are, I fear, too many conflicting opinions to admit of such a desirable issue. But I do now most solemnly, and most urgently, entreat of your Honourable Court, to divest yourselves of any personal feeling, and to take into your impartial re-consideration the events which led to my Memorial to your Hon. Court; and I implore your indulgence and benevolence, as far as may be practicable, and that you will even stretch a point on the present occasion, so that if nothing further can be done, your Honourable Court will be pleased, in consideration of past services, to grant me a pension.

If it should so please your Honourable Court as to entertain any favourable inclination towards my application, I would, respectfully, solicit to be honoured with an early intimation, that I may suspend arrangements I have been making for publishing my appeal. I would not ask so much, or be so intrusive, but I must confess that I do not feel that confidence in my application which can induce me to hope for so happy a result, and, consequently, in justice to myself not to abandon or suspend the measures I have begun.

Signed, &c. &c.

W. WHITE.

May 22, 1827.

East India House,
20th of July, 1827.

Sir,

Your letter of the 22nd ultimo, with its enclosures, having been laid before the Court of Directors of the East India Company, I have their commands to acquaint that as the Regulations authorise no pension to an Officer who has ceased to belong to the Company's service, under circumstances similar to those in which you are placed, they must decline to grant you any such allowance,

Signed, &c.

PETER AUBER.

To W. White, Esq.

To the Court of Directors of the East India Company.

HONOURABLE SIRS,

I received Mr. Assistant Secretary Auber's letter of the 26th of July last, in reply to my letter of the 22nd of May, in which he is pleased, by your commands, to inform me, "that as the Regulations authorise no pension to an Officer who has ceased to belong to the Company's service, under circumstances similar to those in which I am placed, you must decline to grant me any such allowance.

As far as my own interests are concerned, I should have been induced to receive this communication with regret; but I do consider that I should be highly culpable if I were to allow it there to rest, for more important interests are at stake;—the welfare of thousands of Officers of a powerful Army, of nearly three hundred thousand men, are involved in the question; some of whom may be reduced to a similar condition in life, to what I am, from a want of a better knowledge of your "*Regulations*," and the liberal feelings your Honourable Court are capable at times of displaying.

I must confess that I have not sufficient knowledge of your "*Regulations*" to know the one you allude to, as applying to my case, as not authorizing pensions to Officers who have ceased to belong to the Company's Service, under "*circumstances similar to mine*" I was not before aware that such circumstances had ever occurred, still less so, that "*Regulations*" had been framed to meet them. If such has been the case, the particulars ought to have been made public; they might then have served as a beacon to me, as my unfortunate case will now do to others.

I cannot, however, exactly *comprehend* the precise "*circumstances*" to which your Honourable Court are pleased to allude. If I am to understand that you mean to imply, that the "*Regulations*" of your service authorize "*no pension*" to Officers who may have been compelled to resign, after a long period of service, in consequence of great injuries and oppressions practised by your Government in India, and approved of by your Honourable Court here, accompanied with a total denial of all manner of justice and redress, it must be admitted, that the "*Regulations*" of your service, on this point, are at once the most illiberal of any service, in any country, and that they form a frightful parellel to the wise, humane, and benevolent "*Regulations*" of His Majesty the King of England; demanding the most serious consideration of the country at large; for it is clear that you have not only usurped this despotic power, but you have the temerity to carry it into execution, and will deprive any Officer of the means of common subsistence, no matter how long the period of his service, who may happen to refuse to unite in, or be opposed to, acts of violence, injustice, and oppression.

The singular facility with which your Honourable Court can refer to "*Regulations*," as an authority, and a justification for your conduct on the present occasion, requires to be noticed, and seriously attended to; because explanation is necessary. Your "*Regulations*" are certainly the most extraordinary, ill-digested, and incomprehensible that ever disgraced any Government;—they are unjust and unprincipled in their formation, as they are unwise and improper; for they not only inadequately provide for the administration of justice and the welfare of the subject, but they admit of the most monstrous perversion and distortion, to meet circumstances as may be, to please the powers that are, regardless of the principles of equity, justice, and humanity, which ought to characterize all "*regulations*;" so much so as to confound the opinion and stagger the belief of any man.

If, as in my case, the "*Regulations*" admit of "*no Pension*" to Officers who have been forced to resign your service from ill-usage, and the total denial of redress; I would ask your Honourable Court to have the goodness to explain, by what "*Regulation*" is it that Officers of your Army, who may have deserted from their regiment and post, while in front of the

enemy—as was the case with Captain *****, of the ——— Regiment of B.N.I. in 1816, from the heights of Muckwanpoor, receive pensions? when the Mutiny Act, and the Articles of War declare, that for such offence they *shall be shot!* Yet, upon the list of "*Retired Officers*" of your Army, the name of Captain ——— appears; and he has ever since been receiving the "*Pension*" of a Captain!

Let me again ask your Honourable Court, by what "*Regulation*" is it, that General Officers of your Army who have not only failed to carry the orders of their Government into execution, but who have allowed their advanced posts to be cut to pieces without attempting to support them—as was the case with Major-General ———, commanding the ——— division of the invading army of the kingdom of Napaul, with his advance posts of Pursa Curry, composed of 350 men, from the 2nd B. n. 15th B. N. I. and that of Sumpunpoor of 200 men, from the 22nd N. I. on the 1st of January, 1815; who, while their army are threatened with night attacks from an enterprising and daring enemy, five times the number of their troops, instead of keeping a vigilant watch, and making every preparation to repel the attack, or to take any advantage of the enemy, suddenly quit their camp in the afternoon, without notifying their intention, leaving any instructions with the next senior Officer, or even condescending to communicate the intelligence which they have received, of an attack meditated by the enemy on the very night* of their abandoning their army, a part of which actually became engaged on the following morning—the General absent never more to return! I ask Honourable Sirs, by what "*Regulation*" is it, that instead of being brought to trial before a General Court Martial, such Officers are simply removed from the staff of the Army, and not only permitted to retain the Colonelcy of a Regiment, but two years subsequently are appointed to a highly lucrative sinecure post, the Commander of the Fort of ———, probably garrisoned by some of the very troops whom they had previously abandoned. I ask, Honourable Sirs, by what "*Regulation*" is it that this takes place?—and why has it met with *your sanction?*

If, on the other hand, I am to understand that your Honourable Court refuse to grant *me a* "*Pension*," because of your arbitrary and unjust dismissal, "the *Regulations under such circumstances authorizing none*," I would take leave to ask your Honourable Court, by what "*Regulation*" is it that Major William ———, late of the ——— Regiment of Bengal Native Infantry, and commanding the ———, who was tried by a General Court Martial on thirteen charges of defrauding the Government, (of 6,803 rupees, or £850!) robbing the soldiers, under his command, (of 4,245 rupees or £530!) of making of false musters, &c. &c. and of all of which he was found GUILTY, and sentenced to be dismissed, and, upon a revised sentence, *cashiered!* from the company's service, the sentence approved of, and the Serjeant-Major of the Regiment broke for not having impeached his Commanding Officer! I ask, Honourable Sirs, by what "*Regulation*" is it that Major ——— has ever since been receiving the "*Pension*" of Major?—and how is it that his name appears upon the "*Retired*" list of Officers of your Army?—Is the "*Pension*" awarded to him for past services? and if so by what "*Regulation*" is it "*authorized*?" Is it not rather the effect of *private influence*, Major ——— having married a niece of one of your Directors; and which circumstance caused him to be a *favourite* and Aid-de-camp of the Marquis of Hastings!

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* The whole of the troops were under arms from 8 o'clock that night until 7 in the morning. The enemy advanced—but finding the army on the alert, they contented themselves with burning several large towns near the camp. For several weeks, until large re-inforcements joined, three entire Regiments were kept paraded the whole of the night.

How, Honourable Sirs, are these acts of clemency and mercy to be accounted for?—or to be reconciled with your cruel and unrelenting persecution of me?

Were it requisite I might still go further; but enough has been given to prove how very inadequately your "*Regulations*" have provided for the impartial administration of justice. Indeed, I should never end if I were to go on quoting all the cases I might do, to prove the capricious and improper distribution of punishment and rewards!! Those that have been given are disgusting, and sickening to reflect upon; degrading to your army as they are disreputable to your authority to have sanctioned.

I ask, Honourable Sirs, what is it that I have done, that should render me less entitled to the bounty of your "*Regulations*" than robbers and cowards?—I beg of your Honourable Court to explain; and, further, if you have any charge to make against me, to *bring it forward!*

Be assured, Honourable Sirs, that I did not appeal to your liberality until such time as I was driven to it through absolute distress; and for which I feel that I am entirely indebted to you. The hour I started my Newspaper, "The British and Indian Observer," with a view of gaining an independance, it became the signal for fresh persecutions; and every means was resorted to which calumny and revenge could devise. You could not, with propriety, appear yourselves; but your *relations* and friends did it for you. Criminal informations were filed in the Court of King's Bench, but not proceeded in. The rule had been obtained upon the blackest of perjury; the Attorney General had thrown up his brief; and the *Informant* dreaded the consequences of proceeding. An action for damages was brought by a brother of one of your Directors, for stating a fact which had occurred in your Court. The action was brought for two purposes; the one, was to ruin me,—the other, to endeavour to discover my author. The first point they gained; but the latter they were foiled in; for I stood the consequences, and I lay twelve months in prison rather than give up the author of my information, (who was in court at the time the occurrence ha[illegible]) to the vindictive and unrelenting fury of your Honourable Court, and to which he must have been exposed.

By what "*Regulation*" is it, Honourable Sirs, that you all dine at the City of London Tavern every week, at five guineas a head, wines exclusive, while the "*Regulations*" cannot afford me a morsel of bread?

It is, however, to be hoped that the time will shortly arrive when the abuses of your administration will be listened to. The exposure is absolutely necessary for the welfare of India, and the future interests of England. If I have been instrumental, or yet can be, in promoting so desirable an object, I shall not repine at what I have suffered, or yet may endure.

Had I, Honourable Sirs, let me tell you, served His Majesty the King of England, or indeed any other power, half so long as I have done you, and with the same zeal and fidelity, they would not have disgraced, degraded, and discarded me as you have done; or would they have afforded me an opportunity to tell them, in the face of all the world, that their conduct has been marked with injustice and oppression, a total want of feeling, and absence of all humanity.

Signed, &c. &c.

Nov. 6, 1827. W. WHITE.

It will be seen, that I have had to deal with a body of men, who, while they affect a character of public zeal and moderation, in reality consult nothing but their interest and quietude. They are legislators and judges; and their jurisdiction is without appeal. Their will must be obeyed, not because it is lawful or reasonable, but

because it is their will. If they do not openly approve of acts of injustice; they at least acquiesce in them, and countenance the most flagrant violation of the laws. While nothing can be hoped for, from their justice; every thing is to be dreaded from their power and influence, because their power cannot be assailed. Multitudes of reproaches they hear with indifference; and view mountains of infamy with complaisance.

I fear that few persons will be disposed to credit one half the facts set forth—for the statements certainly must appear, to those unacqnainted with India, of incredibly occurrence; and, with all the documents, few will believe that my Lord Hastings could have been so perfectly regardless of truth, justice, and humanity. The fact was, my Lord Hastings could believe any thing, and every thing; and whether he believed or not, he could speak and act with as much apparent sincerity and feeling as though he did. For instance, in one of his shooting excursions, a man was shot for a tyger in the grass. This was at least an awful, if not singular occurrence. It happened to be one of the attendants that was shot. Two guns were fired at the same time—the one by Lord Hastings, the other by Mr. Chester, the resident at Malda. Lord Hastings was instantly persuaded, that it was Mr. Chester's shot that killed the man; and Mr. Chester very gallantly came forward and took upon himself the credit. The noble Marquis's conscience was thus easily calmed;—he empanneled a jury, instanter, elected himself their foreman, and returned a verdict of, accidental death. Now, after this, it will be no matter of surprise, that my Lord Hastings could discover Mr. Wray's conduct to have been purely accidental.

W. White.

London, April 12th,
1828.

PROCEEDINGS OF A COURT OF ENQUIRY,

Assembled at Berhampore, this 20th day of October, 1817, by order of Colonel Pine, Commanding the Station.—

President, Capt. (now Lieut.-Col.) Wood, European Regiment.
Lieutenant Stewart, 14th N. I. } *Members.*
Lieutenant Anderson, 14th N. I. }
Lieutenant Swinhoe, Interpreter and Quartermaster, 14th N. I. attending the Court as Interpreter.

The Court assembled at 10 o'clock, pursuant to station orders, and perused the annexed letter from the Cantonment Adjutant, dated the 18th instant, and the several letters referred to, from which it appears that the Court is to investigate the circumstances of a complaint, preferred by certain Native commissioned and non-commissioned Officers, of the Moorshedabad Provincial Battalion, against Mr. Assista[illegible]ay, of the Honourable Company's European Regiment[illegible]

Mr. Wray calle[illegible]

Mayput Sing, Subed[illegible] Provincial Battalion, who states as follows:—On [illegible]tle after 4 o'clock, I was sitting in my hut, [illegible]ed by Ajaib Sing, drill Havildar of the Battal[illegible], Havildar, and others. Whilst conversing, I s[illegible]no is now in court.) level his gun and fire into the hut; I was hit on the face with two small shot, and Agaib Sing with many, on various parts of the body; and Roudy Sing also. I went out alone to the gentleman, and said, "Do you come to my hut shooting?—I am a Subedar of the Moorshedabad Provincial Battalion, and have been wounded; what is your name?—The gentleman called out, "Jow damn rais."—The gentleman not mentioning his name, I asked a Native who accompanied him; who replied, he was a cooly merely hired for the day, and did not even know his name.—Ajaib Sing then stepped forward, and said, "Sir, you are giving abuse to a Subedar, and have wounded him with shots." On this, the gentleman levelled his gun at him, and cried out, "Jao, nai hum toom ko maringha." (If you do not go I will fire at you.) We then went and reported the business to the Sergeant-Major, who went and spoke to the gentleman; but I do not know what conversation took place between them. The gentleman then looked at my wounds.—I told him th[illegible]uld be an inquiry into the affair.—He replied in plain Hindo[illegible], "I am Doctor Wray; go and report it to your offi-

cer." The Serjeant-Major was by at the time, and Mr. Wray was close to me when he spoke: his face was a good deal flushed;—smelt of liquor, and appeared to me intoxicated." (*The Court had been turning and twisting the man about with a dozen questions, none of which were entered upon the proceedings: and they repeatedly demanded that he should state the reason, why he thought Mr. Wray intentionally fired at him.—He denied that he said Mr. Wray had intentionally fired.—The Court persisted that he should assign his reasons; and he, at length, with great reluctance, replied—he supposed the gentleman must have been either drunk or mad.*) "Mr. Wray then went away shooting.—On going back to my hut, I picked up several small shot, which were lying scattered over the hall, which, however, had not been pierced by the shot.—I took the shot to my Commanding Officer, Lieutenant White.—I saw Mr. Wray again on the 9th, about 4 o'clock, with a gun in his hand, standing near my hut: I was at the time returning from the hospital. I observed Mr. Wray soon afterwards walk away, and commence shooting at some distance." (*The Subedar stated that Mr. Wray actually stood close to the hut—loading and firing his piece off repeatedly in the air; as though to bid them all defiance; and he had evidence ready at hand to prove the fact: he had complained of the occurrence to me on the 10th of October I again addressed the Magistrate on the 13th, about four o'clock in the afternoon, I returning to my hut, with others of the Battalion, and [illegible] 34 paces off, level his gun towards the huts, [illegible] several of the shot struck the chopper.—I report [illegible] ances to the Havildar-Major.

QUESTION BY MR. WRAY.—In what state were the shot, when picked off your bed, and delivered to Lieutenant White?

ANSW.—They were flattened. (*His answer was, "IRREGULAR." I endeavoured to interpose, when the Court were entering it upon their proceedings—I repeated his words, "Chupta—Chupta;" "irregular." The Court informed me that, I was a spectator, and that they would not be interfered with.*)

"The shot, which were sent to the Court along with the papers received with the Cantonment Adjutan's letter, were here produced, and the Subedar says, they are those mentioned by him.—There are some others which were picked out of his body, and the bodies of the Havildars."

(*The paper supposed to contain the shot lay upon the table—the Subedar knew the paper he had delivered them to me in; but no mention was made to him, that it was discovered that some of them were "flattened as though they had been bruised between two bricks."—They were not even handed to him for inspection.*)

QUES. BY MR. WRAY.—The first time you saw me near your hut, you said I fired my fowling piece. Did I actually fire into the

hut, or at a bird near it; or, do you mean to say, I fired at you, or any body else?

Ans.—I saw no bird.—Observing the piece levelled at me, I conceived Mr. Wray meant to fire at me.—(*I saw no bird—I cannot tell what he meant to fire at.—I saw the gun levelled towards me, and was struck with the shot.*)

Ques. by the Court.—What reason had you to suppose that any British Officer would intentionally fire his fowling piece at you?

Ans.—I could only account for such a circumstance by supposing the gentleman to be intoxicated, and not to know what he was about.

Ques. by the Court.—Did you see Mr. Wray before he fired into your hut and did you hear the report of any gun previously to that period?

Ans.—I neither heard the report of a musquet, at the period described, nor saw Mr. Wray, until he discharged his gun, as I have before mentioned.

Ques. by Mr. Wray.—[illegible] went out to speak to me, before y[illegible]r, was there any other person, besid[illegible] me?

Ans.—I sa[illegible]

Ques. by T[illegible]e of your conversation with Mr. Wray[illegible] gentleman with or near him?

Ans.—I saw [illegible]as afar off—not within call.

Ques. by Mr. [illegible] call out "Jao," (or go) to you, or any one else, before I came near to your hut on the 7th?

Ans.—No; I did not.

Ques. by the Court.—When you went to the Serjeant Major, did you desire him to report to your Commanding Officer that Mr. Wray had fired upon you.

Ans.—No; not at that time;—but after the Serjeant Major had spoken to Mr. Wray, we requested he would do so.

Ques. by Mr. Wray.—Do you know whether the Serjeant Major saw me fire at your hut; or heard the report; and where was the Serjeant at the time?

Ans.—I do not know.—I found the Serjeant Major in his Bungalow.

SECOND EVIDENCE.

Ajaib Sing, drill-Havildar, Moorshedabad Provincial Battalion, called into Court:—says he was sitting in the verandah of Mayput Sing, Subeda[illegible] the same corps, with others of the corps in company, when[illegible] the report of a gun, and immediately felt

himself hit by small shot; Mayput Sing, and Roudy Sing, the Court Havildar, were also struck. On turning round, he saw a gentleman taking a gun from his shoulder; he cannot say whether the gentleman fired intentionally at them, or at a bird.---Mayput Sing went immediately and spoke to the gentleman, who gave him abuse in English, which I did not understand; but he made no use of Hindostanee words.—(*False*—no such assertion was made.) From the gentleman acting in this manner, I conceived that he was intoxicated.—(*Either mad or drunk.*) I then went and complained to the Serjeant Major, that a gentleman had come out shooting, and that I and some others had been struck with his shot. I found the Serjeant-Major standing in his bungalow; he returned with me to the gentleman, and some conversation, in English, ensued between them. I then said to the gentleman that I would complain against him. The gentleman not understanding me, the Serjeant-Major explained what I had said; upon which the gentleman said to me, in Hindostanee, "I am Doctor Wray—go and make your complaint against me." I then sent Monorat Sing to report the circumstance to the Commanding Officer, Lieut. White.

On the 9th, in the afternoon, Mr. [illegible] in the lines to enquire for me and the Subedar.—(*On the [illegible]n of the 9th, Mr. Wray came again to the lines, and stood by the Subedar's house, firing several shot in the air. Mayput Sing, the Subedar, complained of it, and at his request [illegible] to the Commanding Officer. Mr. Wray ordered some of [illegible] to conduct him to my hut; I would not speak to him.*) Mr. Wray looked at me, and asked if I was well; I made no reply. Mr. Wray then went away shooting. Two days afterwards, on the 11th, (*Error---four days afterwards, the 13th*) I saw Mr. Wray shooting on the left of the lines, where he was holding conversation with the Serjeant-Major. On that day Mr. Wray did not go near my hut.—(*An answer to a question put by the Court.*) Nor did I hear that he went to Mayput Sing's: from that day I have never seen Mr. Wray in the lines.

Ques. by the Court.—How far was Mr. Wray from the hut when he fired; and how many shot struck you?

Ans.---About 29 paces; and 26 shot struck me, 14 of which entered skin deep, and were taken out by the Native Doctor and myself.

Ques. by the Court.---Do you know of any shot being taken to Lieutenant White, from whence procured, and in what state found?

Ans.---Yes.---I assisted in taking them off the Subedar's cot and ground; they were flattened. (*In answer to a question, he replied, Chupta---Chupta---"Irregular." I again interfered; but to no avail.*)

Ques. by Mr. Wray.---Did you pick any out of the cot frame, or were they found lying on the bedding?

Ans.---There were none taken out of the cot frame: they were found on the bedding, on the floor, and some in the wall; (*false*) there was a cloth suspended close to the wall; the shot must have struck the cloth and wall, and have fallen upon the bed.

Ques. by Mr. Wray.---Was there any person near me at the time I fired on the 7th?

Ans.---Yes; there was a Native near Mr. Wray, and a Syce, with a horse in the road, and another gentleman shooting some distance off

Ques. by Mr. Wray.---Did you hear me call out "Jao" (go) to you, or any one, before I came near the hut on the 7th.

Ans ---No, I did not.

Ques. by the Court.---Do you know whether Mr. Wray was firing near the lines any day after the 7th, and did you hear that my shot had struck any chopper?

Ans.---Yes---The day I saw the Serjeant-Major conversing with Mr. Wray, to the left of the lines; Mayput Sing mentioned to me that Mr. Wray had been shooting again near the lines, and that some of the shot had struck the chopper of his hut. (*At the request of the Subedar, I reported this to the Commanding Officer.*)

Ques. by Mr. Wray.---Was there any other gentleman shooting on the same ground, on the day I spoke to the Serjeant-Major---(Nov. the 7th.)

Ans. There was another gentleman shooting, but not very near the lines.

Ques. by the Court.---Do other gentlemen frequent the ground near your lines, to shoot?

Ans.---No, I have never seen any.

It being past three, the Court adjourns until to-morrow.

21st of October, 1817.

The Court having met this day, pursuant to adjournment, the undermentioned evidence are called in, viz:---

THIRD EVIDENCE,

Archibald Mc. Koy, Serjeant-Major of the Moorshedabad Provincial Battalion, states as follows:---

On the afternoon of the 7th instant, between the hours of four and five, Subedar Mayput Sing, Ajaib Sing, Havildar-Major, and Roudy Sing, Havildar, came and informed me that a gentleman was fowling in the lines, and that they had been struck with shot, while sitting in Mayput Sing's house. I went out, and saw a gentleman at a distance from the lines, 30, 40, or 50 yards. On approaching the gentleman, he said, "I believe I have struck one of your men." I replied, "No, Sir, you have not only struck one,

but you have wounded three---a Subedar, a Havildar-Major, and a Kote Havildar." On saying this, I turned round and shewed these people to the gentleman: who examined them, and said,—"They will be no worse than they are." He then looked towards the lines, and said, "That is a great distance; I did not think these small shot could have carried so far." I was going away, when the Havildar-Major said to the gentleman, "I will complain of you;" the latter then asked me what the Havildar said; I explained it to him. He then observed to me, "Let him complain—my name is Doctor Wray." He also spoke to the same effect in Hindostanee, to the Havildar-Major; but I do not recollect the precise words. At the desire of the Native Officers concerned, I had the business reported to the Commanding Officer.

QUES. BY MR. WRAY.—When I held the conversation with you, at the time you have now mentioned, did I not express myself to the following effect? viz. :—"I am sorry the accident has happened.—I am Doctor Wray.---I request of you to inform Lieutenant White of it.---The people are very little the worse.

ANS.---Mr. Wray only spoke as I have before stated. (*Here the Court positively refused to record the testimony of the man as he gave it, notwithstanding my interference. The Serjeant's answer was: No, Sir, you did not; or I should have reported it to the Commanding Officer.*)

QUES. BY MR. WRAY.---Did you not tell me, that the Native Officers had mentioned to you, they would have said nothing about it, if I had not turned round and abused them.

ANS.---I told Mr. Wray, that the Subedar had mentioned to me, he would have said nothing about it, if the gentleman had not abused him.

QUES. BY MR. WRAY.---Did I appear drunk at the time?

ANS.—No: I did not think Mr. Wray drunk. He appeared flushed; but whether from the heat of the sun, or from what had happened, I cannot say.

(*This is another part where they refused to take the evidence down as given. The Serjeant hesitated to make any reply. The question was repeated to him, and he answered: Mr. Wray appeared flushed. The Court then asked him if he meant to say, that Mr. Wray was drunk? The Serjeant replied---No: he appeared flushed, but whether from the heat of the sun, or from what had happened, I cannot say.*)

QUES. BY MR. WRAY.—Did I appear sorry for what had happened?

ANS.—He did not appear so, as Mr. Wray went away fowling immediately afterwards.

QUES. BY THE COURT.---There appears among the papers sent to the Cantonment Adjutant, one which contains the complaint of

the Native Officers, drawn up by you. Were you ordered to draw up that complaint?

Ans.---I was ordered by my Commanding Officer to take down the complaint on paper.

Ques. by the Court.—Did the Subedar, or any other person of the corps, make any further complaint against Mr. Wray?

Ans.—On the 9th instant, the Havildar Major reported to me, that the gentleman who had fired into the lines on the 9th, had come to his hut, and enquired if he were better: the Havildar-Major said he had told the gentleman he was better, and that he had complained of him: the gentleman made answer, "Very well." (*The Serjeant said that the Subedar had complained on the 9th, of Mr. Wray's having come to his hut, and stood close to the door, loading and firing his piece off repeatedly in the air---that he had afterwards gone to the Havildar-Major's hut, but he had refused to converse with him.*) That the gentleman had again fired off his gun close to the Subedar's hut, but in a contrary direction to it. On the 13th, in the evening, I saw Mr. Wray shooting near the magazine, which is situated on the left of the lines, about 150 paces from the Subedar's hut; it may be more. I went to Mr. Wray and told him, that if I saw any gentleman shooting within the limits of the lines, I had received orders to give Lieutenant White's compliments, that there was an order against it. Mr. Wray then said, "Very well; shew me the limits." I then pointed them out, and he went away. Soon after I returned home, the Havildar-Major came, and reported, that the same gentleman, who had lately fired into the lines, had again done so; and that some shot had fallen on the chopper of the Subedar Mayput Sing's hut, and some on the ground: and that the Subedar had just made that report to him.

(*The Serjeant said; that soon afterwards the Havildar came to him, and complained that the same gentleman had been again firing in the direction of his hut, and that the shot struck the chopper, and requested him to report it to the Commanding Officer.*)

Ques. by Mr. Wray.—Are gentlemen accustomed to shoot near your lines?

Ans.—Sometimes gentlemen come; but I never saw any so near as Mr. Wray was on the 7th. I have seen them often on our side the Kutcha Road. This road may be from 250 to 300 yards from the Subedar's hut, so far as I can judge. The hut is in the rear of the third or fourth Company.

Mayput Sing, Subedar, again called into Court, and the following questions put to him:

Ques. by Mr. Wray.—When you went to your Commanding Officer, did you request to be sent to Mr. Loch, the Magistrate; or what did you request to be done on the occasion?

Ans.—I requested that the matter might be enquired into. I was ordered by Lieutenant White to attend before Mr. Loch.

Ques. by the Court.--Would you have been satisfied with your Commanding Officer procuring you satisfaction for the injury of which you complain, in any other manner, than that of sending you to make oath before the Adowlut?

Ans.---I had no wish to be taken before Mr. Loch, the Magistrate. I wished a proper investigation should take place. I wished an enquiry before a Court Martial.

Ajaib Sing, Havildar-Major, again called into Court, and the following questions put to him:

Ques. by Mr. Wray.--When you went to your Commanding Officer, did you request to be sent to Mr. Loch, the Magistrate; or what did you request to be done on the occasion.

Ans.--I requested that the matter might be enquired into. I was ordered by Lieutenant White to attend before Mr. Loch.

Ques. by the Court--Would you have been satisfied with your Commanding Officer procuring you satisfaction for the injury of which you complain, in any other manner, than that of making oath before the Adowlut?

Ans.--I wished the matter to be investigated by Mr. Loch, as cases in the corps are sometimes sent before him.

The Court does not deem it necessary to examine any more witnesses on behalf of the complainant.

(*The Subedar now said, "Gentlemen, I have many witnesses in attendance, to prove the abuse and threats that were made use of to me and the Havildar Major; I beg of you to examine them; and the Native Doctor, who extracted the shot out of the Havildar's wounds." The President ordered him to quit the Court. The Subedar retired, saying, that he would not be satisfied with their decision, be what it might; that he would appeal to the Commander in Chief. I urged the Court to proceed to the examination of evidence to the point at issue. I observed that the Sergeant Major was not present at the time the occurrences stated had taken place. The President replied, "Lieutenant White, you are not come here to point out to us what we are to do; you may send all your men away; and if you remain, it must be as a spectator." I then quitted the Court.*

EVIDENCE IN ATTENDANCE,

The Native Doctor; Manorat Sing, Naik, or Corporal; Hurdial Tewaree, Naik; Bowany Sing, Sepoy; Monorat Sing, Sepoy.

23d of October, 1817.

The Court having re-assembled at 10 o'clock, pursuant to adjournment, Mr. Wray replies to the complaint preferred against him, as follows:

That I should be wilfully guilty of deliberately firing my fowling piece, at men from whom I had never received the slightest provocation, I trust there is no one in this Court will for a moment believe: yet, on perusal of the papers before the Court, and from the evidence of the Native Officers, given before Mr. Loch, the Magistrate, and before this Court, it would appear that those officers considered me capable of so heinous an offence. Why those Officers (knowing, as they unavoidably must, that the shot were fired from my gun by mere accident) should swear that I took aim, and fired at them, I am unable to conceive. It could hardly be for the purpose of extorting money from me; or, when I went to see them, two evenings after the accident, they would have given me a hint to that effect.

That any person could be so insidious and evil minded, as to invite those Officers to give such evidence as to endanger the life of of a fellow being, I can scarcely believe. However, as evidence to that effect has been given against me by those Officers, I will, without further comment, endeavour to state to the Court the circumstances as they occurred, before and after the accident, to the best of my recollection; and will also bring forward such evidences, in support of my statement, as were present on the occasion.

On the afternoon of the 7th instant, Lieutenant Ledlie and I went out snipe shooting, between Mr. Travers's house and the lines of the Moorshedabad Provincial Battalion; (*He happened to be in the rear of the lines, and not, as stated, between the lines and Mr. Travers's house, for the lawn of Mr. Travers's house and the parade of the Regiment lies between.*) in passing them, I was a short distance to the right of Lieutenant Ledlie, and somewhat nearer them. When we had arrived within a short distance of the lines, I saw some sepoys under a matted house, or shed, and called to them to go away. I made use of the word, "Joa," (go) once or twice. One of the servants who was along with me also called out to them; and I believe they did go away, or appeared to do so. On proceeding a little further, one or two snipes rose up, and was flying nearly parellel to the lines, when I fired, and the bird fell a short distance from the huts. When the bird fell there were two or three other birds flying; and Lieutenant Ledlie called out, "You have killed two." I replied, "No; only one." I took up the bird, (*Very unlikely, with two servants in attendance.*) and turned back from the lines; and when I had gone about 150 paces a man came out, and made a great noise; but as I did not understand what he said, I called out, "Chooprao—you, sir;" (be silent) but he still continued make a noise. I then went towards Mr. Travers's house; but not finding any snipes, I returned towards Lieutenant Ledlie, who was at some distance from the lines. On my way, I saw the Serjeant Major and some men advancing towards me. I went up to them,

and asked the Serjeant Major what was the matter? He said that I had shot three men, and two of them Officers. I answered, "Two Officers!—what Officers?—are they European Officers?" He replied, "No; two Native Officers." I asked to see them; and he pointed to three Natives; upon which I went and examined them, and found that one had received a grain of shot in his forehead, which had just penetrated the skin, and, I believe, one in the lip. Another of them had received a grain of shot in the face, and a few in the breast, which had only just penetrated the skin. The third man had received a few grains in his arm. After having examined them carefully, I said to the Serjeant Major, that there were none of them seriously hurt, or that they were very little the worse. They afterwards said something which I did not understand; and upon asking the Serjeant Major, he told me, that they said they would tell their Commanding Officer. I replied, "By all means;" and asked who was the Commanding Officer? He said, "Lieutenant White." I then told him to inform Mr. White that my name was Wray; Doctor Wray; and that I was sorry such a thing should have happened; but that it was entirely accidental. He told me the Sepoys would not have said any thing about it, had I not abused them, when they come to tell me of it; but with which circumstance I am totally unacquainted, more than that I said, "Chooprao, sir jao." In short, I cannot conceive how I could have abused them, not being at all conversant in the Hindostanee language, having been but a short time in India, and not knowing the meaning of many more words than those I have already mentioned. I afterwards went to Lieutenant Ledlie, and told him the circumstance, and that the people were not severely hurt.

Two nights after the accident happened, I went out shooting with Lieutenant Davis, of the 20th Regiment, and when near the lines of the Provincial Battalion, I left my fowling piece with my servant, and proceeded to the house where the people had been wounded, to enquire for them. On my arrival there, a Sepoy, (as far as I could understand by his signs) induced me to suppose that none of the people were within. He afterwards came out and beckoned me to follow him; and on going a short distance, we met one of the people who had been hurt, who showed me his arm, on which I could hardly perceive (except by slight blackmarks) where the shots had struck. I said to him, "Ach hu" he replied, "Behout uch ha," and appeared quite satisfied, and not to bear me the slightest ill-will, as far as I could judge by his countenance. It appears, from the papers adduced, that this visit to the lines has been construed into another offence. If it was one, I can only say I was actuated by the best of motives; viz. that of seeing if the people were quite recovered; and, if they were not, to see if I could be of any assistance to them. I shall now beg leave to call

Lieutenant Ledlie, who will prove, that at the time we suppose the Sepoys were wounded, he saw me fire at a snipe, and that he called out, "You have killed two of them;" as, at the time I fired, two or three birds were flying away. He will also prove, that I had frequently fired so near the lines, as, in his opinion, to be heard by the men there. I also beg leave to call two Natives, who, having been present with me all the time I was out shooting, will prove that I fired at a snipe, at the time they supposed the Natives were wounded; but they say the bird was not killed. As I had killed four or five before I fired at this (which my servant if necessary will prove) it is possible that they may not now recollect; however, this is not material; I trust it will be sufficient if they prove that I fired at a snipe; and that they did not know I had wounded any person, until informed by a Sepoy sometime afterwards; and that I did not *wilfully* fire at any one during the time I was out shooting. The servants and Mr. Ledlie will also prove that I was not drunk, as has been vilely alleged against me by the Native Officers. I beg leave, also, to remind the Court, that the Serjeant Major corroborates their testimony in this respect.

The Court, without any remarks from me, must be aware, that many of the grains of shot produced in Court could not have been fired out of my fowling piece, because they are flattened on both sides, as if they had been flattened between two flat stones; which could not have been the case, had they struck against a coarse cloth, or mud wall, as is stated by the Native complainants.—Neither could the number produced here possibly have been extracted: but has it has been stated, that the shot had scarcely force sufficient to penetrate the outer skin of a man, it will be quite unnecessary to state that a single charge of shot, and that snipe shot, fired at a distance, as to produce no greater effect than that mentioned, must have spread so considerably, as to prevent the possibility of collecting the quantity produced.

Adverting to the additional complaint, perferred by the Subedar, viz. my having levelled my gun towards his hut, at a distace of 34 paces, and discharged it, when several shots struck the chopper. I cannot help observing to the Court, that it gives me additional reason for being convinced, that the whole of the circumstances of this unfortunate accident have been most maliciously misrepresented; for I declare, after the 7th instant I never was shooting within 150 yards of the Subedar's house, (which I hope to prove to the satisfaction of the Court) having purposely avoided doing so.

Near the lines, the ground is marshy, and more snipes to be found there than at any other place near cantonment; consequently, I had greater inducement to shoot there. Lieutenant Ledlie, who was also in the habit of shooting there, can substantiate my asser-

tion. Having now, to the best of my *recollection*, stated the whole of the facts as they occurred, I shall now produce my evidences.—I am sure the Court will do me the justice to believe, that it is with sensations of the deepest regret, I appear before it, with my character branded with the foul stigma of *drunkenness* and *inhumanity*. Although my conscience acquits me of crimes like these, yet, in justice to myself, I think it expedient to call on Major Broughton, my Commanding Officer, (who has known me since my arrival in India,) and Dr. Keys, and Mr. Surgeon Browne, under whom I attend daily, at the Regimental Hospital, to state if they ever heard of my being, at any time, intoxicated, and to speak to my general character and disposition; which testimony, with what I have already brought forward, will, I trust, be sufficient to exculpate me in the opinion of this Court, and of his Excellency the most Noble the Commander-in-Chief, for whose perusal I hope and solicit that these proceedings may be transmitted.

EVIDENCE FOR MR. WRAY.

Lieutenant LEDLIE, European Regiment, called into Court, states as follows:—

Mr. Wray and I went out [illegible] shooting, on the afternoon of the 7th instant, in the rear of the lines of the Provincial Battalion, where we had been [illegible] I saw Mr. Wray fire several shots; one in particular [illegible] was near the huts, I thought killed a brace; and I [illegible] him to that effect. I then went on shooting. About [illegible] afterwards, I saw a Sepoy, with five or six Natives, [illegible] wards Mr. Wray. It struck me that there must have been [illegible] accident, and was thinking of turning back, to assist Mr. Wray [illegible] speaking to the Natives; but, on observing the Serjeant-Major still there, (*What did Mr. Ledlie mean by "still there?"—he does not mention having seen the Serjeant before.*) I went on. A short time afterwards, Mr. Wray joined me, and mentioned, that he had wounded some men, and seemed much distressed. I told him not to be so, as *I had often seen* trifling accidents, of a similar nature, (*a pretty confession indeed*) without any bad effects attending them.—We then went home.

QUES. BY THE COURT.—How far off from the nearest hut was Mr. Wray when he fired the shot, which you suppose occasioned the accident?

ANS.—To the best of my recollection, about 70 or 80 yards.

QUES. BY MR. WRAY.—You know the shot used by me: do you think those now before the Court, and produced by the Native Officers, are the same kind?

ANS.—Certainly not. Your's are patent, and [illegible] appear so. On inspecting them, I observe many of [illegible] are flattened

on both sides, which appears to me unaccountable, as I do not believe they could *be so* flattened, when fired against a mud wall, or indeed any substance.

QUES. BY MR. WRAY.—Have you ever seen any person shoot on the same ground we were on, on the 7th, when the accident took place?

ANS.—Yes, that very evening I observed an European, in a white jacket, walk over the ground where the Serjeant Major was speaking to you. I have also heard people speak of the spot, as being snipe ground; and there is no doubt, but it must have been frequented.

QUES. BY MR. WRAY.—Was I at all intoxicated that evening?

ANS.—No; certainly not: nor did I ever see you in that state; and I can safely say, that you are particularly abstemious; an assertion, I am sure, will be supported by every officer of the corps.

QUES. BY THE COURT.—As you reside in the same house with Mr. Wray, do you know of his being out shooting, near the lines of the Provincial Battalion, since the 7th?

ANS.—I do not know what direction he might have taken, but he went out once after that, I believe on the 9th, with Lieutenant Davis. I do not think he could have gone out since, without my knowing of it, (*Mr. Wray acknowledged to have been twice, the 9th and 13th*) as he always asks me to accompany him. I have not been out with him since the 7th.

SECOND EVIDENCE.

LALA KUNGALY, servant to Mr. Wray, called into COURT: (*a hired porter for the day, the 7th of October, and immediately after the evening hired as a regular servant*) says, that he accompanied his master out shooting, on the afternoon of the 7th. Mr. Wray went to a spot near the lines of the Provincial Battalion.—When about 100 paces from the hut, where some men were sitting, Mr. Wray called out, "Jao, jao." (go, go) Two snipes got up soon afterwards: his master fired at them. The men then came out of the hut, and made a great noise, saying, that a gentleman had wounded them, and was walking off. A crowd collected, and some one called out "Mar, mar," who is that "Beetee choot," who wont give his name. (*Here is a wilful and deliberate falsehood entered; for not one of the Native Officers or Sepoys could speak a word of English—or could the coolies, or porters, who are stated to have said that the Officers called out, "Who is that who wont give his name?"*) His master not understanding Hindostanee, did not know what the men said, ("Mar, mar;" "Beeter choot) but called out to them to "Chooprao." The crowd approaching, his master sent for Mr. Ledlie. Soon afterwards, the Serjeant-Major came up, with the Subedar and others. Mr. Wray and the Serjeant

Major held some conversation in English. Mr. Wray then examined the Native Officers, who had been struck by shot. The Subedar said he should complain to his Commanding Officer, which his master not understanding, the Serjeant-Major explained to him. Some conversation then ensued in English; and the Serjeant-Major said to the Native Officers, "The gentleman says his name is Doctor Wray, and that you may go and complain." Mr, Wray did not say any thing to the Native Officers.

Two or three days afterwards, in the afternoon, he accompanied his master to the lines of the Provincial Battalion, *shooting*. Mr. Wray left his gun with the evidence, and went to the hut where the accident had happened. Mr. Wray soon returned, and continued shooting, at a distance of 200 yards from the lines: he is sure not nearer.

Two or three days after this, the evidence accompanied his master close to Lieutenant White's new house—about 200 yards on the left of the lines. The Serjeant Major came up and spoke to Mr. Wray, who immediately went away from the lines. (*Mr. Wray was then close to the Magazine.*)

QUES. BY MR. WRAY.—Did you see me put my gun to my shoulder, and level at any of the men who came out of the hut, or at any person, on the 7th, or at any other time?

ANS.—No—you did not?

QUES. BY THE COURT.—Was Mr. Wray at all intoxicated at the time?

ANS.—Certainly not; he was just the same as he is now.

THIRD EVIDENCE.

DUSSAIN BEARER, in the service of Mr. Wray, (*Also a hired cooly, or porter, on the 7th, taken immediately afterwards into regular pay.*) called into Court: says he always accompanies his master in his shooting excursions; corroborates the evidence given by the former witness, except that part which relates to Mr. Wray's conversation with the Serjeant-Major, as he had then been sent by his master to Mr. Ledlie.

QUES. BY MR. WRAY.—Did you see me put my gun to my shoulder, and level at any of the Natives who came out of the hut, on the 7th, or any other time?

ANS.—No; I did not.

QUES. BY MR. WRAY.—Did you hear me, either in Hindostanee or English, abuse any party?

ANS.—No: my master never said any thing but "Jao, jao."

QUES. BY THE COURT.—Was Mr. Wray at all intoxicated at the time?

ANS.—Not in the least.

DOCTOR KEYS, Superintending Surgeon, on being called upon by Mr. Wray, states as follows:—

I have had daily intercourse with Mr. Assistant Surgeon Wray since my arrival at this station, and the best opportunities of judging of his conduct, which enables me to afford to the Court the most unequivocal testimony in favor of his correct, benevolent, and gentleman-like demeanour on all occasions of public duty, or private association; and which pleasing traits of character, united to manners uncommonly mild and conciliatory, and of habits strictly temperate, he is one of the last persons whom I should think capable of committing any offensive or wanton act of aggression whatever; and certainly not of the nature of that with which he is at present charged.

Major Broughton, Commanding the Honourable Company's European Regiment, being called upon by Mr. Wray, states as follows:—

Mr. Wray has been under my immediate command near a twelvemonth, during which time I have had daily opportunities of observing him, in the discharge of the duties of his profession, as well as all those of social life; and I have no hesitation in saying, that throughout the whole circle of my acquaintance, I do not know a young man more distinguished by gentleness of his manners, the humanity of his disposition, or the temperance of his habits. I consider his having been guilty of the crimes he is charged with, as a moral impossibility.

Mr. Surgeon Brown, European Regiment, states to the Court in behalf of Mr. Wray, as follows:

Since Mr. Wray joined the Regiment, I have had daily intercourse with him, both public and private; and from his humanity to all under his care, on the bed of sickness, as well as his conciliatory conduct on all occasions, I consider him incapable of the acts with which he is charged.

Mr. Wray begs to state, that there are many other gentlemen in attendance, ready to offer similar testimony; but he does not conceive there is any necessity for calling upon them.

The Court therefore closes its proceedings.

(Signed) W. H. Wood, *Captain and President.*

A TRUE COPY.

Jas. Nicol, *Adjutant General.*

The Humble Petition of CAPTAIN WILLIAM WHITE, *late of the Honourable the East India Company's Service, belonging to the Fifteenth Regiment of Bengal Native Infantry, and commanding the Provincial Battalion of Moorshedabad, to His Most Excellent and Gracious Majesty George the Fourth.*

MOST HUMBLY AND SUBMISSIVELY SHEWETH,

That, while much of your Majesty's most valuable time has necessarily been occupied with the important avocations of your high and mighty calling, nevertheless, the domestic welfare and happiness of your people has not escaped your paternal anxiety and solicitude.

That, your Majesty has ever evinced a great desire for the impartial administration of the laws; and equally so, to prevent acts of injustice, violence, or oppression, being practised upon any of your subjects.

That, the many acts of Royal mercy, clemency, and liberality, which has marked the short, but glorious reign of your Majesty, are so many proud and imperishable monuments of unceasing love and affection for your people; that, while they remain indelibly engraven upon their hearts, they inspire them with gratitude, love, and affection; with unbounded confidence and patriotism; rendering them desirous of devoting both life and property to the personal welfare and happiness of your Majesty, and to the support of your throne.

That, your Petitioner firmly believes, that there are no wrongs or injuries which can be practised upon any of your Majesty's subjects, but what are fully within your Majesty's power to redress.

That, when the strong oppress the weak, and the oppressors are, from rank, influence, or power, beyond the humble means of the oppressed to contend with, there remains open a door which never closes,—an appeal to your most Gracious Majesty,—who never turns a deaf, or inattentive ear to the tale of affliction, or fails to stretch forth an all-powerful and benevolent hand to redress the injured and oppressed.

That, these are some of the many blessings which particularly mark the mild and paternal reign of your Majesty.

That, your Petitioner having served the Honorable the East India Company for many years, as an officer of their army in India, and your Petitioner trusts, with zeal and fidelity, with credit to himself and justice to his Honorable employers, has, nevertheless, been greatly injured and oppressed, his character blasted, his prospects in life totally ruined, and finally, after suffering years further,

driven upon the wide world without any provision or pension whatever.

That, your Petitioner having many years been endeavouring to obtain redress from the Honourable the East India Company, but having failed in all his efforts; being utterly incapable, from many causes, but most of all his poverty, of contending with so rich and powerful a body, has at length resolved to venture upon the bold, but imperative measure (the only one in which there is any hope of redress) of most humbly, and most submissively, submitting a detail of the wrongs and injuries of which he complains at the feet of your most Gracious Majesty,—humbly praying that your Majesty will graciously be pleased to condescend to hear them.

That, your Petitioner in the year 1807 proceeded to India in the capacity of a cadet, and arrived in Bengal about the middle of the same year.

That, during the first twelve months of your Petitioner's residence in India, and while attached to the Cadet Institution, a very serious mutiny broke out among the cadets, (nearly three hundred in number) who were in a state of open rebellion, committing the most daring outrages, and threatening to take the lives of the officers attached to the institution.*

That, your Petitioner not only refused to take any part in those proceedings, but when the cadet guard were ordered out on duty, and refused obedience, your Petitioner, notwithstanding the remonstrances and threats of the cadets, armed himself and turned out to the support of authority:—thus, setting an example of subordination at a moment of great difficulty, and inducing the other cadets of the guard to adhere to a sense of their duty.

That, your Petitioner was instantly selected by the Commanding Officer of the institution, from the rest of the guard and placed a solitary sentinel at the barrack gate-way, with instructions not to permit any of the cadets to pass out.

* This is alluding to the second mutiny. On the first occasion the cadets burnt the barracks down, and fired at the Commanding Officer, while standing at the head of the Sepoy guard endeavouring to appease the mutineers. To such an excess were the outrages carried, that the Government of Fort William despatched General St. Leger with some artillery, two troops of the body-guard, and three hundred and fifty men of his Majesty's 67th regiment, to disarm the cadets. The troops reached their destination about two o'clock in the morning; and although the cadets were completely taken by surprise and surrounded with troops, it was not without great delay, and much difficulty, that their arms were obtained without using force. Indeed, General St. Leger, after having repeatedly called upon them to lay down their arms, at length declared his resolution to charge them with the cavalry if there was any further resistance.

The Sepoy guard at the onset had deserted their Native Officers, leaving their arms unprotected in the barracks: the sentries at the guns and the magazine, had also walked away.

That, the whole body of the cadets rushed at the gate-way, to endeavour to force their way out of the barracks :—that when your Petitioner refused to allow them to pass, they assaulted him with various missiles, and with drawn swords swore that they would cut your Petitioner up upon his post.

That, repeated efforts were made to force the gateway : that your Petitioner was obliged to repel them, and defend himself with the point of the bayonet.

That, during these proceedings the Commanding Officer of the institution, Staff-officers, and the guard of Sepoys, drawn up, were looking on.

That, the Commanding Officer at length relieved your Petioner from the invidious and perilous situation, with two grenadier sepoy sentries ; and publicly expressed his approbation, and offered your Petitioner his thanks.*

That, in consequence of the part which your Petitioner had been called upon to take, his life was subsequently sought after by the cadets ; who became so daring and outrageous, that, notwithstanding the presence of the guard and staff-officers, your Petitioner firmly believes he would have been murdered but for the firmness of the second in command, Captain (now Lieutenant-Colonel) Huthwaite, who swore by his Maker, to the cadets, that if a hair of your Petitioner's head was hurt, he would order the guard to fire, and put every man to death.

That, during the remainder of the night your Petitioner continued in the guard-room with the officers of the institution ;—that, notwithstanding their presence, and the guard under arms, several desperate attempts were made to injure your Petitioner.

* "Dear Sir,—Although I have no idea that the disturbance which took place at Barrasut in the end of July last will be spoken of in England, yet I have no hesitation in declaring to you, for the satisfaction of your friends, that your conduct, while under my command, and particularly on the occasion alluded to, has always been such as to meet my approbation.

"Fort William, March 29, 1809. "Your's,

"*To Ensign W. White.*" "Malcolm Mc Leod."

"My dear Sir,—I was yesterday favoured with your letter of the 31st ultimo, &c. &c. I have received much satisfaction from the perusal of your letter. To know that the gentlemen I had the honour to command at Barrasut have in their recollection any marks of my attention, is extremely gratifying. The part you acted on the occasion you allude to was highly meritorious, and I am rejoiced that you have got into a comfortable situation.—I shall always be happy to hear from you, and I beg to assure you of my best wishes for your success and happiness.

"Government House, Calcutta, "I am, [illegible]

"November 3d, 1813. "[illegible]

"*To Lieutenant W. White.*" "[illegible]

That, when your Petitioner took possession of his quarters, two grenadier sentinels were placed at his door to preserve his life :— that, notwithstanding their presence, the cadets made several desperate efforts to force the door ; they shot at both the sentries, and seemed resolved to kill them, but they would get possession of your Petitioner.

That, your Petitioner opened his door, and found his sentries trembling upon their post, afraid to do their duty; and, with his musket loaded, threatened, in the presence of the cadets, to shoot the one and bayonet the other, if they allowed their post again to be forced : that, your Petitioner then loaded his sentries, gave them orders to return the fire, if again fired at, and to bayonet any one that attempted to use force.

That, the cadets proceeded to the quarters of the European officer who commanded the Sepoy guard,* dragged him out of his bed, and compelled him to proceed and unload the sepoys.

That, your Petitioner being no longer safe in his quarters, was obliged to be removed to the guard-room.

That, various other and most daring efforts were made to endeavour to assassinate your Petitioner; but by the blessing of providence they all failed.

That, your Petitioner's conduct was reported to the Government of Bengal, and received the distinguishing approbation of the Governor-General in Council ;† and, subsequently, your Petitioner

* From the 2nd Battalion, 15th Regiment, Bengal Native Infantry.

† "*Major Mc Leod, Commanding Cadet Establishment.*

"Sir,—In answer to your letter of the 2d instant, I am directed by his Excellency the Right Honourable the Governor General in Council, to inform you, that he has been pleased to mark with particular satisfaction the propriety and good conduct of Mr. S. Kyan, who commanded the guard, *and, in particular, that of Mr. William White*, one of the gentlemen of that guard, on the night of the 30th, in manifesting the orders issued by you; in consequence of which, his Excellency has been pleased to order, that those two gentlemen shall be struck off the cadet establishment, and be allowed to join their corps.

"I am further directed to inform you, that you will order a copy of this letter to be written into the orderly book of every cadet.

"I have the honour to be, Sir,

"Fort William, (Signed) "J. Nicholls,
"August, 15th, 1808."‡ "Acting Adjutant-General."

‡ I had joined my regiment but a few weeks when an entertainment was given by the officers to Lord Minto, on the occasion of the presentation of some honorary colors. At dinner, Lord Minto asked the commanding officer of the Regiment, (now Major-General Burrell) who I was? and on being informed, his Lordship did me the honor to ask me to take wine. After dinder was over, and the party repaired to dancing, Lord Minto took me aside, and did me the honor to converse very freely on the subject of the mutiny; condescending to ask my opinion on several points; and declared that my answers had decided him in his resolution to recommend to the East India

was honoured with the personal thanks of the Governor-General, Lord Minto.

That, your Petitioner at that period was but eighteen years of age.

That, many of the mutineers were severely punished.

That, the conduct of your Petitioner created him innumerable enemies:—that, as many of the cadets had relations and friends high in official situations about the Government, your Petitioner unfortunately incurred their displeasure also, and became the object of persecution.

That, your Petitioner in the year 1813, had his character most cruelly and unjustly traduced, by some officer high in rank and official situation about the Commander-in-Chief,* for the purpose of ruining your Petitioner; but fortunately your Petitioner produced testimonials of conduct and character that removed the ill impression, and in September, 1813, your Petitioner was appointed adjutant to the Moorshedabad Provincial Battalion.

That, in consequence of the Commanding Officer, Lieutenant Canning, being employed on other duty, the command of the corps had for some years devolved upon the Adjutant.

That, Lord Hastings arrived in India very shortly after your Petitioner's appointment, and at the instigation of the Adjutant-General, or some other officer high in official rank, without any apparent cause, superseded your Petitioner in the command by appointing an officer to the temporary charge.

That, your Petitioner had great reason to believe that the measure had been advised, to injure your Petitioner, because the former adjutant had held the command for a period of three years, and the previous Governor-General, Lord Minto, had rejected every application that had been made for the temporary command.

That, the officer appointed to the temporary command was an officer of the regiment of the line that your Petitioner belonged to; that he was the same officer who had commanded the sepoy guard on the occasion of the mutiny at Barrasut; and he immediately acquainted your Petitioner, that he should not have applied for the charge had he not been urged to do so, and that when he objected, as not wishing to supersede your Petitioner, he was informed that if he did not another officer would be appointed.

That, your Petitioner finding himself still marked out as an object of persecution; aware that he should soon entirely lose the protection of his noble and generous friend, General Sir George

Directors the abolishment of the institution: and which took place. His Lordship was pleased to observe, that he had great pleasure in expressing personally that which he had officially declared, his high approbation of my conduct, and concluded by saying, that when I had served a period with my regiment, he would take an opportunity to reward me with a staff situation.

Nugent, and that your Petitioner would be more open to the attacks of his enemies, and finally suffer that which he has actually experienced, wrote a letter to Sir George Nugent, expressive of a desire to resign his situation at Moorshedabad, and to be permitted to rejoin his battalion of the line.*

* *Extract of a Letter addressed to Sir G. Nugent, Bt. the 9th of Feb.* 1814.

"I have learnt that Lord Moira did not appoint Captain Cooper at his own suggestion, but by an application from that officer; and which he was induced to make by the advice of some person in the Adjutant General's Office, and I firmly believe it to have been the very person who slandered my reputation to your Excellency. His motive could alone have been to deprive me of my command, and any little emolument I obtained by the temporary absence of Lieut. Canning. I feel it very hard that the request should have been complied with; because, during Lord Minto's administration, Lieut. and Adjt. Gordon held the command for a period of three years, and though may applications were made, they were rejected;—as the appointment was only vacant for a time, Lord Minto declaring, that he could not in justice to the Adjutant allow of any one to assume the temporary command. Except in one instance: Lieut. Maling was allowed to take the charge, but it was upon the express conditions of his not interfering with any emolument the Adjutant might derive in consequence of the absence of the Commanding Officer. I shall briefly state to your Excellency my motive for wishing to relinquish my appointment."

"The snake which stung me, is watching an opportunity to attack me again, and ultimately, no doubt, will ruin me, &c. &c."

"My Dear Sir, "Calcutta, February 24, 1814.

"You must be the best judge of what situation suits you. Circumstanced as you were, with no prospect of a vacant staff appointment in your own regiment, the only one I had to offer you was accepted, as I understood, cheerfully by you.

"The history of Captain Cooper's appointment, was, I believe, as follows:—Lieut. Canning being still employed in the diplomatic line, wished to resign the command of the provincial battalion in favour of his brother-in law, Captain ———, which was objected to. Captain Cooper having been desired by Lord Moira, to remain in Calcutta, until he could be provided for, the temporary command of the provincial battalion was given to him as the only thing vacant, not under any idea that it would affect you.

"I can only say that you are perfectly acquitted in my eyes of any impropriety of conduct in the 15th regiment, ever since the two Lieut-Colonels bore such favourable testimony of your behaviour under their respective commands, and I only regret that they were not forwarded to me at an earlier period, so that you might have succeeded to the adjutancy of one of the battalions.

"I should equally now interest myself in your favour was any vacancy to occur; and what can I say more?

"If after what I have said, you persevere in wishing to join your corps, I can have no objection whatever, being only anxious for your advantage, and that you should not part with one appointment until you had secured another; particularly so, as you have since become a married man. Lady Nugent desires to be remembered to you, and we both request that you will make our compliments to Mrs. White. "Believe me, my dear Sir,

"Most sincerely yours,

"*Lieut. White, &c. &c,*" "G. Nugent."

That, early in the year 1814, while your Petitioner was proceeding on his duty visiting the guards attached to the civil officers of the city of Moorshedabad, your Petitioner called at the guard at the Company's Silk Factory at Cossimbazar; and it was reported to your Petitioner, by the native Commissioned Officer commanding the guard, that Mr. Droz, the commercial resident, had, about half an hour previously, with a heavy hunting whip, most inhumanly, dreadfully horsewhipped one of the sentries standing at his gates, for having stopped a man entering the premises with arms, although it was consistent with an order previously given by Mr. Droz himself.

That, when the Havildar, or Sergeant of the Guard, attempted to interfere, Mr. Droz was proceeding to horsewhip the Havildar; who was obliged to run to avoid it: that when the Subedar remonstrated with Mr. Droz, he was most grossly abused, and also threatened to be horsewhipped!

That, the Sepoy stood before your Petitioner with his coat nearly cut off his back, dreadfully lacerated, crying, and appealing for redress.

That, the Commanding Officer of the guard stated to your Petitioner, that they dreaded the rage and violence of the Resident; and, that it was impossible to do duty at the Factory if such things were allowed; and he further solicited instructions how to act in future.

That, this conversation passed immediately under the windows of Mr. Droz, who heard every word; but instead of coming forward and explaining his conduct, he concealed himself behind the window-blinds.

That, your Petitioner applied to be favoured with an interview with Mr. Droz; but was refused.

That, your Petitioner then, within the hearing of Mr. Droz, desired the Commanding Officer of the guard to wait upon him with your Petitioner's compliments, and to say, that if there was any ground of complaint against any of the men, that on its being made known to the Officer commanding the guard, the Sepoy would be confined, and brought to trial, but to request, for the future, that Mr. Droz would not upon any consideration attempt to strike the sentries, for if he did the consequences might prove very fatal to himself, as they had received instructions, in such a case, to make use of their bayonets.

That, Mr. Droz never forgave your Petitioner for sending him the polite and friendly intimation; but subsequently used his utmost influence in the Society of Moorshedabad to injure your Petitioner.

That, your Petitioner directed the Sepoy, together with his evidence, to attend upon the officer commanding the regiment at the

orderly hour; that they did attend, and in the presence of your Petitioner offered their complaint.

That, the commanding officer would not receive the complaint; and stated to your Petitioner, as his reason, that Mr. Droz had just been with him and *satisfactorily* explained the affair.

That, the Sepoy, in vain, urged to be heard, prayed for redress, and called to be tried by a court-martial; declaring that he was disgraced and ruined, and unless he had a trial, or redress, that he would destroy himself.

That, your Petitioner could not prevail upon the commanding officer to bring the Sepoy to trial, or to make any report of the occurrence, either to the Governor-General, or the Commander-in Chief.

That, the commanding officer got angry with you Petitioner for pointing out in a friendly manner what the consequences might be if the Sepoy should desert, and go with his complaint direct to the Commander-in Chief; that subsequently, on all occasions, the commanding officer conducted himself with great severity, intemperance, and hostility towards your Petitioner.*

That, the unfortunate Sepoy did destroy himself.

That, early in the year, 1815, Captain Canning assumed the command of the corps; and the officer who had temporially commanded it rejoined his regiment of the line.

* *The following Copy of a letter was sent for my information, by order of General Sir George Nugent.*

"*To Captain Cooper*;
"*In charge of the Moorshedabad Provincial Battalion.*

DEAR SIR,—The Commander of the Forces having had before him your letter to Lieutenant White's address, of the 16th Instant, wherein you announce to that officer that "all reports of the battalion have been directed to be made to Lieutenant Stubbins, during your temporary absence," his Excellency has directed me to make known to you the extreme displeasure with which he has perused that communication; and conceiving that a measure so irregular in itself, and so calculated to wound Lieutenant White's feelings, as that of superseding him in the charge of the battalion by an officer from another corps, could only have been resorted to by you for the gratification of that spirit of animosity which unhappily appears to exist. His Excellency, with a view to the effectual suppression of disputes, by which the public service is liable to be injured, has commanded me most explicitly to make known to you his determination to supersede both you and Lieut. White in the duties of of the Moorshedabad Provincial Battalion, and to report *your* conduct to Lord Moria, in the event of any future instance coming to his knowledge of conduct similar to that which is the subject of his Excellency's present animadversions. "I have the honor to be,

Dear Sir,

"Adj.-Gen.'s Office, "Your obedient Servant

"Pres. Ft. William, "J. GORDON."
"The 21st of September, 1814." "Deputy Adjt. General."

That, in the middle of the year 1815, Captain Canning left the regiment under the charge of your Petitioner; and requested from the Governor-General, that no officer should again be appointed during his absence.

That, during the interval between the years 1815, and Jan, 1818, your Petitioner commanded the corps.

That, your Petitioner soon discovered that there was a very hostile feeling existing against him; and your Petitioner, unfortunately became entangled in controversial correspondence, on points of public duty, with the magistrate of Moorshedabad, and the commanding officer of Berhampoor.

That, some of your Petitioner's Sepoys had been confined for a period of two months in the common jail with felons, without any charges having been preferred against them, without the circumstances even being reported to your Petitioner, as their commanding officer, and only learnt on the complaint of the men after their release.

That, the men and officers were tampered with to come forward with false complaints against your Petitioner, solely with a view of bringing your Petitioner into trouble, and thereby, endeavouring to effect his removal from the corps.

That, about [illegible] of the men and officers had been defrauded of upwards of a [illegible] pounds by a public servant; the treasurer of the collector of Moorshedabad:—that your Petitioner made several efforts with the Magistrate to effect his seizure; but without avail; the man was protected by the collector, nor would he allow of the Sepoys to approach [illegible] and when the circumstance was reported to the Government, no notice was taken of it.

That, many acts of cruelty and mal-treatment were practised upon the Sepoys of your Petitioner's regiment; that whenever your Petitioner attempted to seek redress for them, it was denied, as though it were solely because your Petitioner sought it for them.

That, many unwarrantable interferences took place with the corps.*

* "I am directed by the Commander-in-Chief to send you the enclosed copy of a complaint made against you by Colonel Pine, commanding the cantonment at Berhampore.

"Colonel Pine was in error, in imagining that he was competent to order the services of Native Officers of the Provincial Battalion as members of a line Court-Martial; that battalion not being within the limits of cantonment."—*Letter of the Adjt.-Gen. to Lieut. White, May*, 1817.

"Copies of station orders issued by me respecting the formation of a line Court-Martial; and also of that officer's public letter to me, refusing to comply with my orders. So glaring an instance of disobedience and disrespect I should have considered it to have been my duty to have immediately taken notice of, by placing Lieut. White in arrest, had I not been restrained by the [illegible] of the Provincial Battalion not being [illegible] under my control, [illegible] reporting to me."—*Colonel Pine's Complaint to the Commander-in-Chief.*

That, your Petitioner had much valuable property laying about, such as building materals, &c. some the property of the Government, for which he was responsible, others, his own; that your Petitioner was robbed, time after time, with impunity, and thereby lost several hundred pounds; but could never obtain protection from the magistrate, or redress; that, on one occasion, in particular, a man was taken in the dead of the night while committing a daring burglary, and when the man's house was examined in the morning there was found a whole cart load of property which had been stolen from your Petitioner, the magistrate kept the felon but a few days in confinement, and *released* him.

That, most of these circumstances were reported either to the Governernor-General, or the Commander-in-Chief; but as it is generally the case, in India, when an inferior remonstrates against the conduct of a superior; and in one instance, although your Petitioner produced the express orders of the Government for his conduct, yet the Government, nevertheless, actually strongly reprobated your Petitioner's adherence to them.

That, your Petitioner is prepared to prove, by official documents, the truth of most of these allegations; and that on one occasion that your Petitioner had confined a native commissioned officer, and had preferred charges against him to the Commander-in-Chief, for mutinous conduct, in refusing to obey orders; placing himself in a menacing and defying posture, and prohibiting your Petitioner to pass him; partly drawing his sword, and refusing to deliver it up until it was wrung from him by the Sergeant-major of the regiment and your Petitioner's orderlies; yet, nevertheless, he was released, by order of the Adjutant-General, without a trial, or any atonement being required from him.

That, your Petitioner humbly begs to be pardoned for the minute detail and plolixity of address into which he has entered, but which explanations appeared to be necessary, for, without a knowledge of the facts stated, it would be impossible to understand the unfortunate and unpleasant situation in which your Petitioner stood at the moment when the occurrence happened which is the primitive cause of this appeal; nor would it be possible to credit, or to comprehend the motives of action, and the secret springs which influenced the conduct of individuals in the transactions about to be detailed.

That, on the 7th of October, 1817, a European officer in the service of the Hon. the East India Company, by name Mr. Wray, an assistant surgeon, residing at Berhampore, and belonging to the Bengal European Regiment, while out sporting approached close to the military lines of the Moorshedabad Provincial Battalion, and when within a few paces of the huts of the soldiers, seeing several of them seated, enjoying the presumed protection of

their peaceable habitations, knowing who and what they were, and that they were servants of his own masters, did, most unwarrantably, and most unjustifiably, order them to get out, or quit their houses; and without ascertaining whether they had or had not obeyed his injunctions, regardless of all the consequences, he fired in the direction of the hut, and severely wounded three of his fellow-creatures, previously seen and warned.

(*Here followed a brief detail of the occurrences set forth in the Supplement to my Appeal, superfluous to recapitulate.*)

That, with regard to the circumstances attending the conviction of the Native Officers on the first charge, your Petitioner cannot do better than humbly to submit for your Majesty's inspection a Petition that was presented to Lord Hastings by the unfortunate Subedar.—(*See Appendix B.*)

That, the Petition is certainly very strong; it contains a statement of facts of such atrocious nature, that your Majesty would suppose that the Marquis of Hastings gave the proper orders to have them investigated, that in case they should prove true, he might and would do ample justice to the Petitioner;—but no; it is scarcely credible, but still it is a fact, the noble Marquis rejected the Petition with scorn and contempt.

That, the Subedar subsequently gave the Petition to your Petitioner, with a request, that your Petitioner would forward it to the Commander-in-Chief:—that your Petitioner did forward it to the Military Secretary of the Commander-in-Chief.

That, the only notice taken of the Petition, was that of a threat of commencing a prosecution against the Subedar for libel.

That, the prosecution was relinquished, because the law-officers of the Company had declared, that it would afford the Native Officer an opportunity to establish the truth of his allegations; and, that, if he did establish them, the judges would issue their warrant for the apprehension of Mr. Wray, and that it would also endanger the safety of the Magistrate, Mr. Loch.

That your Petitioner in vain memorialized the Commander-in-Chief, and wrote many letters, supplicating to be honourably acquitted of the imputations that had been cast upon his character, or to be allowed the benefit of a trial by a Court Martial.

That, your Petitioner failing in every effort to obtain redress, made known his resolution to memorialize the Honorable the Court of Directors.

That, when it was found that your Petitioner was seriously bent upon following up his appeal, and proceeding to England to seek redress for himself and the Native Officers, the Government interfered with the disposal of your Petitioner's private property, and by which means he lost upwards of twelve thousand pounds.*

* At the period of my removal from office, I had laid out several thousand pounds upon a building I was erecting. No purchaser was to be found

That, your Petitioner heard, and believes, that the interference with the sale of your Petitioner's property, was solely to cripple the means of your Petitioner, and with a hope that it would preclude a possibility of his proceeding to England.

That, your Petitioner had much difficulty in obtaining any documents, and many that were absolutely necessary for your Petitioner's defence were positively refused.

That, your Petitioner, through the medium of the Bengal Government transmitted a memorial to the Honourable the Court of Directors, in which was fully stated all the circumstances connected with the affair of Mr. Wray and the Native Officers, accompanied with copies of all the correspondence and documents that had been in the possession of your Petitioner.

That, your Petitioner before he left India was given to understand the sort of justice and redress he would receive in England: that, on his arrival your Petitioner addressed a circular letter to the Court of Directors, imploring their impartial and serious attention to his Memorial.—(Appendix C.)

That, your Petitioner met with a cool reception in Leadenhall-street—the Directors minds had already been prejudiced;—they directed their Secretary to inform your Petitioner, that "*they ap-*

for it, it must be finished, or the money laid out thrown away.—His Highness the Nawab of Bengal, a particular friend of mine, proposed to me to extend the building and lay it out as a country residence for him.—There being no probability of any other advantageous offer for the disposal of the property, I embraced it. When the building was nearly finished, the Nawab, when breakfasting with me one morning, stated, that Mr. Loch had paid him a visit, and had been endeavouring to prevent his purchasing the house. That upon his highness's stating that he was bound to have it, and that he should, Mr. Looh with great warmth and anger informed him, "*that he would write to the Government to prohibit it, or his living in it, as he (Mr. Loch) would not have the roads cut up by his carriages and elephants,*" and that Mr. Loch then, in a passion, left him. The Nawab concluded by saying, that he felt Mr. Loch's conduct very insulting:—that he (the Nawab) had done every thing in his power to accommodate him; that Mr. Loch had formerly harassed him by ill-treating his servants, confining them without his knowledge upon false complaints, neglecting to reply to his letters on the subject, and sending and seizing without ceremony, on various occasions, his servants as witnesses; that, he attributed this to proceed in consequence of his having refused to give up his principal residence (Fendal Baugh) to Mr. Loch; that he had subsequently let him have one, after which Mr. Loch was *very polite* until now; that he (the Nawab,) considered it very hard that he should be so restricted, but that he was determined to have the house as soon as finished. The Nawab did not renew his visit for some time, but one morning he called, at about eight o'clock, and remained until twelve. The Nawab then informed me, that Mr. Loch had communicated to him an order of the Government, *positively prohibiting* his purchasing the property or his residence in it, and that if he did purchase it, the Government would reduce his salary, (£280,000) as it was not their intention to allow him money to fool away. The purchase was declined, and the property consequently totally ruined.—*Letter to Proprietors of India Stock 4th of April*, 1823.

proved of the proceedings of the Commander-in-Chief—that "*they considered it unnecessary to make any reply to the different points of your*" Petitioner's "*memorial*"—disapproved of your Petitioner's having any property—of your Petitioner having *come to England*—required of your Petitioner to "*resign their service*," and accept of "*a pension of fifty pounds a year*," or threatened to dismiss him.

That, your Petitioner refused to accept of the pension, or to send in his resignation: that, the Directors pondered before they would carry their threat into execution, and withdrew their demand.

That, your Petitioner had been removed from his situation at Moorshedabad, and otherways injured, upon the false reports of Mr. Loch—Mr. Loch was first cousin to Mr. Adam, chief Secretary to the Government, and also brother to an East India Director—and which circumstances were sufficient to decide the fate of half a dozen such men as your Petitioner.

That, your Petitioner has every reason to believe that his memorial was not even read by any one of the East India Directors.*

That, your Petitioner in vain continued to urge the Court of Directors to afford him redress.

That, your Petitioner repeatedly applied to be furnished with a copy of the instructions which had been dispatched to India regarding his case; but was as often refused.

That, your Petitioner at length finding that neither justice, protection, or redress, was to be obtained, was driven to the unfortunate necessity, on the 30th of November, 1822, of sending in his resignation of the East India Company's service.

That, your Petitioner's resignation was not voluntary, but forced upon him by the severity of conduct of the Government of India, and subsequent oppressive measures of the Court of Directors, in not even examining your Petitioner's memorial, and withholding from your Petitioner protection and redress.

That, some years afterwards, your Petitioner, with surprise and astonishment learnt, that the Court of India Directors, instead of accepting of your Petitioner's resignation, had thought proper to dismiss him from their service.

* "Sir, "*London*. 17*th July* 1820.

"I have received your letter of the 11th instant, with the memorial and correspondence which accompanied it, and I should be uncandid if I did not assure you, that documents of such extreme length have not the least chance of being read by the Court, or Committee of Correspondence, or I believe by any member of either. "I am, Sir,

"Your obedient Servant,

"Lieut. White." H. Hudleston."

"P. S. I return you the papers, as you may wish to shew them to others. I have only been able to give 'the correspondence' a full perusal, from which it is clear that your former conduct in the mutiny did you great honor."

That, the act of the Court of Directors of dismissing your Petitioner after your Petitioner had resigned, to say the least of it, was a most cruel and vindictive measure towards an old servant—that no part of your Petitioner's conduct could have authorised, or can possibly be justified by the laws of God or man.

That, in consequence of this measure of the Court of Directors, against which your Petitioner now most humbly, most solemnly, and most earnestly protests, your Petitioner has for years stood in the light of a man branded for misbehaviour,* and has severely suffered the consequences attending such an impression being fixed by the East India Directors, on the minds of your Petitioner's former friends and associates, and also the public at large.

That, your Petitioner has in vain appealed, as far as lay in his power, to the Proprietors of India Stock, both by letter and petition.

That, your Petitioner has failed in all his endeavours to induce some Proprietor of India Stock to bring forward his case at a general Court of Proprietors; the Proprietors your Petitioner are acquainted with, have declined it, as it would displease the Directors, and might injure the prospects and expectations of friends they have in India; others, assigned as a reason, that it was utterly useless to attempt to bring forward in that Court any measure in which the *conduct of the Directors* was to be called into question!

That, your Petitioner has not appealed to the Board of Controul because he was told, on a former occasion, by the secretary, Mr. Courteney, that the Board had not the power to interfere with the Directors in their conduct towards their servants.

That, your Petitioner has been unable to get any Member of Parliament to present his Petition to the House of Commons against the East India Company.

* A small octavo volume, of 170 pages, has appeared during the past month, under the title of "A Political History of the Extraordinary Events which led to the Burmese War, illustrated with a Map of the British Frontier, and dedicated to His Most Excellent Majesty George the Fourth, by Captain White." This writer was once an Officer in the East India Company's army, and attached to the second battalion of the 15th Regiment of Bengal Native Infantry, with which he served in the Company's provinces bordering on Arracan. The Indian reader will perhaps remember, that the same Captain White, after his dismissal from the Indian army, became the Editor of a weekly paper in London, entitled "The British and Indian Observer," which, during its short existence, was chiefly remarkable for the scurrilous attacks on private character with which it abounded, and the gross adulation of the Board of Controul and Ministers generally, whose policy it eulogized as every thing that was perfect in Government.—*Buckingham's Oriental Herald for* 1827.

+ Nine houses, or sets of Barracks in the cantonments of Berhampore, let then at a rent of upwards of £900. a year, besides the house sold to the Nawab of Bengal, has all been entirely lost, partly by the mismanagement of those into whose hands the property was placed after my removal.

That, the valuable property your Petitioner had at Moorshedabad, at the time of his removal, has been in consequence entirely ruined and lost †

That, your Petitioner by these means, and having no pension or provision whatever from the Company, has been totally ruined and rendered perfectly destitute.

That, for the last two years your Petitioner has experienced many and very great difficulties; particularly so within the last year, having had the misfortune to lose his father, who died with grief and a broken heart at the misfortunes of your Petitioner.

That, your Petitioner lately waited on the Chairman of the Court of Directors, and stated the deplorable situation to which your Petitioner was reduced; that, your Petitioner had often known the want of food and the common necessaries of life, and that your Petitioner had no other means of subsistence than the scanty and precarious morsel the produce of his pen.

That, your Petitioner prayed that the Directors would reconsider his case, the injuries which your Petitioner had sustained in India, the injury the future prospects of your Petitioner had sustained in life by the last act of the Court of Directors, and that, they would at least be pleased to grant some pension.

That, the Chairman of the Court of Directors professed, exceedingly, to lament the troubles and misfortunes of your Petitioner, but declared that the Court of Directors "*had the same power as the King;*" that "they could at their pleasure dismiss any of their officers *without assinging any reason:* that they must support authority—that any application your Petitioner thought proper to make would be received, but he saw no hopes of the East India Company doing any thing whatsoever for your Petitioner."

That, your Petitioner next acquainted the Chairman of the Court of Directors of your Petitioner's intention to submit, by Petition, to the consideration of your Majesty the particulars of the conduct of the Indian Government, as also that of the Court of Directors towards your Petitioner, as it was impossible that any of your Majesty's subjects could possibly contend against so powerful a body.

That, the Chairman assured your Petitioner, that your Petitioner was at perfect liberty to appeal in whatever quarter your Petitioner thought proper.

That, your Petitioner submits that while he conducted himself with propriety, and in conformity to your Majesty's laws, that your Petitioner was entitled to the protection of those laws, and it ought to have been granted to him as free as the air of heaven; that it was the duty of the East India Company to have seen that the laws were duly and impartially administered to all their subjects.

That, your Majesty will be displeased to find that one law is administered to the poor and helpless, and another to the rich and powerful.

That your Petitioner submits that his case, and that of the native officers of the Moorshedabad provincial battalion, is one of very great difficulty and of peculiar hardship:

That, your Petitioner as far as himself was alone concerned, might and would have borne these injuries without appealing or intruding them upon the notice of your Majesty; but he has an imperative duty to perform, in the contemplation of which all sight is lost of personal consideration; your Petitioner has a daughter, thirteen years of age, that was born in India, and is perfectly unprovided for; and supported by and aged and afflicted parent, whose sojourn in this world is likely to be but short; at her death, the child like her parent, must be destitute, the annuity of her protectress being but a life interest; that this unfortunate child, of an unfortunate parent, who served the East India Company fifteen years, is the grand-child of a Lieutenant Colonel, who died in India, after thirty-three years service; and the great-grand-child of a Lieut. General, who served fifty two years in India: making a total of one hundred and one years; while, if her father died to-morrow, the Hon. East India Company would not allow her a morsel of bread.

That, your Petitioner, therefore, most humbly, most submissively, most fervently and dutifully, prays—that your Majesty will be graciously pleased to pardon the boldness and presumption of your Petitioner in intruding his unfortunate case on the consideration of your Majesty.

That, as your Petitioner, after having served his country many years, has been greatly injured and rendered destitute by the powers who ought to have protected him; having no other friend but God and your Majesty, most humbly implores and entreats, that, in the plentitude of your power, wisdom, justice, benevolence, and charity, your Majesty will be graciously pleased to order for your Petitioner such redress as your Majesty may deem fit; or that your Majesty will condescend to refer to the notice of your upright, wise, and intelligent Ministers, or to the consideration of your present Parliament assembled, the merits of your Petitioner's case, with a recommendation that they would be pleased to adopt such measures as might be deemed proper to further the ends of justice, to examine into the merits of the complaint, so that if it should be found to be true, they might afford your Petitioner justice and redress;—and

Your Petitioner,
As in duty bound,
Will ever pray.

London, April 6th, 1827.

APPENDIX—(A.)

Complaint preferred against Mr. Assistant-Surgeon Wray, of the Honorable Company's European Rigiment, by Mayput Sing, Subedar, Agaib Sing, Havildar Marjor,† and Roudee Sing, Court Havildar,‡ of the Moorshedabad Provincial Battalion.*

The complainants state as follows:—"On the seventh instant, between the hours of four and five in the evening they were sitting in the verandah of the Subedar's house, when Mr. Wray came with a double barrelled fowling-piece and fired off one of the barrels, which wounded the Subedar in two places, while quietly sitting on his couch in his verandah; it also wounded Agaib Sing, Havildar Major, twenty-six shots entering him in different parts,—his head, face, body, and arms: Roudee Sing, Court Havildar, was also wounded in thirteen places. The Subedar then went out to ask Mr. Wray why he came and shot within the lines, people in their own houses. Mr. Wray made no answer, but was going away, when the Subedar asked a native what the gentleman's name was? The native replied that he did not know, he was not a servant, but a cooly (porter) from the Bazar. Mr. Wray then turned round and abused the Subedar, saying, "joa, (go) damn your eyes, joa, damn your eyes, joa, damn your eyes." Upon this, the Havildar Major went out of the house, with the blood falling from his wounds, and asked Mr. Wray what he meant by coming there to shoot people in their own houses. Mr. Wray then lifted the fowling piece to his shoulder, and presented it at the Havildar Major, saying, "Hold your tongue, do not speak to me, or I will shoot you;" seeing the piece levelled, and fearing that he might shoot me, I turned back and reported it to the Serjeant Major, who came and spoke to Mr. Wray. The spot from which Mr. Wray fired the gun was at twenty nine paces from the Subedar's house and cot.

Evidence.—Monorat Sing, and Hudirah Tewaree Naiks; Bowanny Sing, Adden Sing, and Monorat Sing, sepoys.

A. M'Coy, *Sergeant Major.*

Moorshedabad, Oct. 8th, 1827.

APPENDIX.—(B.)

To the Most Noble the Governor General and Commander-in-Chief the Marquis of Hastings.

The humble Petition of MAYPUT SING, late a Subedar of the Provincial Battalion of Moorshedabad.

Humbly Sheweth,

That your Petitioner on the 7th of October, 1817, then a Subedar of the above regiment, was sitting on his bed in the veranda

* Native Captain. † Native Sergeant-Major. ‡ Pay Serge[illegible]

of his house, between the hours of four and five in the evening; there was also seated there, several of your Petitioner's friends, who had come to see your Petitioner, who was very unwell. While thus quietly sitting in his house, a gentleman, whom your Petitioner afterwards found to be a Doctor Wray, came and discharged a gun within thirty paces of your Petitioner's house, which wounded your Petitioner, and two of his friends, who were within his house. Your Petitioner went out and respectfully addressed the gentleman, asking why he came and shot so near the houses; and acquainted the gentleman of the mischief he had occasioned. The gentleman instead of offering any excuse for the mischief he had done, abused your Petitioner in gross language. The Havildar Major, who had been wounded very severely in twenty-six places, on hearing the abuse came out of the house, and going up to the gentleman, said, "What have you come and shot people in their houses, and abusing them after?" The gentleman instantly levelled his piece at the Havildar Major, who stood before him bleeding copiously, and threatened to fire a second time. Your Petitioner then went and called the Serjeant Major, who came and spoke to the gentleman. The gentleman, instead of offering any excuse, or expressing any sorrow for the mischief, went angrily away, desiring the sergeant to tell your Petitioner, to go and make his complaint, that his name was Doctor Wray. Your Petitioner and the other wounded men then went down to the Commanding Officer, Lieutenant White, while the blood was fresh upon them; it being night the Commanding Officer did not see them, but sent them out word, that if they had any complaint to make to do so at the orderly hour the following day. The following morning the Commanding Officer coming to parade, your Petitioner and the other wounded men went up to him and represented the case. The Commanding Officer called the Serjeant Major, and told your Petitioner, and the other wounded men, if they had any complaint to offer to do so in writing; and he ordered the Serjeant Major to take it down. Your Petitioner told the Commanding Officer, that they would readily have submitted to the wounding as an accident, but that they complained in consequence of the abuse and threats.

That, your Petitioner was afterwards ordered to attend upon Judge Loch. When your Petitioner attended he was called into Judge Loch's private dwelling house, when Judge Loch ordered your Petitioner to state his complaint. Your Petitioner did so; after which Judge Loch ordered your Petitioner to swear to the statement he had made. Your Petitioner not being aware of its being regular, and apprehensive it might not be proper without an order from the Commander-in-Chief, repeatedly refused to take an oath. Your Petitioner was told by the police-sheristadar, Maturgee Lalla, and a moonshee, that it must be taken,—that all complaints that

were preferred were upon oath, Mr. Loch being a judge and a magistrate; your Petitioner accordingly took it.

That, twelve or fourteen days after this, your Petitioner was ordered by his Commanding Officer, Lieutenant White, to attend at a Court of Inquiry at Berhampore. As soon as these orders were issued your Petitioner waited upon his Commanding Officer, and objected to attending the Court of Inquiry. Your Petitioner had appealed to his Commanding Officer for redress, but had received none. Your Petitioner had been before the magistrate, who had made your Petitioner swear to his complaint, but had given no redress. Your Petitioner had been twice afterwards insulted by the same gentleman, coming and firing close to his house—on one occasion, standing at your Petitioner's door, loading and firing his piece off repeatedly in the air; the second time, he fired in such a way that the shot absolutely struck the house. Your Petitioner had on these two occasions complained to his Commanding Officer again; but also without redress. Six days after the third visit, and twelve from the first, he was ordered to attend the Court of Inquiry.—Your Petitioner insisted upon his appeal going up to the Commander-in-Chief; instead of which his Commanding Officer, Lieutenant White, compelled him to attend the court.

That, at the Court of Inquiry your Petitioner was not heard; the Court would not take his statement down as he gave it; the Commanding Officer, being present, spoke several times to the Court when they were inserting differently on their proceedings to what your Petitioner had said. Your Petitioner's evidence had attended; but the Court would not examine one of them. The Havildar Major was grossly insulted by a member of the court.

That, your Petitioner, and the other complainants, were so ill-used, they told the Court, they would not be guided by their decision. Your Petitioner went home and wrote a letter to his Commanding Officer, again requesting that his complaint might be immediately sent to the Commander-in-Chief.

That somewhat eight or ten days after, your Petitioner and the other two complainants were sent for by their commanding officer, Lieutenant White, who read to them a letter he had received from Judge Loch. The letter charged your Petitoner with having falsely and infamously accused Mr. Wray; and demanded that your Petitioner and the other two complainants should make an apology to Mr. Wrny, for having complained of having been shot while quietly sitting in his house. Your Petitioner refused to comply with the demand, and insisted upon the complaint being sent to the Commander-in-Chief.

That your Petitioner and the complainants had attended the Court of Inquiry with sufficient evidence to prove that they had been wounded, had afterwards been insulted, and the Halvidar-

major threatened to be fired at a second time and the piece absolutely levelled at him; the Court would not examine a single evidence, and yet pronounced your Petitioner and the other witnesses infamous liars. That three days after, your Petitioner and the other complainants were again sent for by the commanding officer, who had assembled three Native Officers of the corps and the serjeant-major. The Commanding Officer read another letter he had received from Judge Loch; it charged your Petitioner with having accused Mr. Wray with having intentionally and maliciously fired at them; with having accused Mr. Wray of drunkenness; with having made use of abusive language, and a second time levelling his fowling piece and threatening to fire upon the Havildar-major.

That your Petitioner, or the other complainants, never accused Mr. Wray of such a horrible crime as the first; or did they accuse him of the second; but they stated, that he had abused them after the accident, and had levelled his piece a second time, and threatened to fire upon the Havildar-major.

That the Commanding Officer ordered your Petitioner to comply with the demand of the Magistrate, notwithstanding he knew that your Petitioner's evidence had not been examined, and that your Petitioner had been ill used by the court. Your Petitioner refused, and requested his Commanding Officer would, if he thought him capable of telling such an infamous falsehood, order arrest and bring him to trial; or your P[illegible] upon an appeal to the Commander-in-Chief.

That, two days after your Petitioner was again ordered to attend upon the Magistrate. Your Petitioner did so, and was insulted by Judge Loch, who told your Petitioner that he was an infamous liar, and demanded that your Petitioner would acknowledge himself such by a degrading apology. Your Petitioner refused offering apologies for insults. The Magistrate then endeavoured to work upon your Petitioner's fears, by threatening him with an halter, if he did not comply with his demand. Your Petitioner, sensible of his innocence, and fully anticipating that the Commander-in-Chief would view the measures adopted as arbitrary and unjust, refused compliance, and insisted upon an appeal to the Commander-in-Chief.

That, your Petitioner after having been thus condemned and sentenced, unheard, unpleaded, was brought to a general court-martial.

That, your Petitioner demanded for his evidence against the first charge upon which he was ordered to be tried, Mutteyee Lalla, the police sheristadar, who had received his complaint at the magistrate's, and had caused it to be reduced to writing. Your Petitioner repeatedly prayed the attendance of this man, but was as often refused by the judge-advocate. The president of the Court also demanded his attendance; but the judge-advocate got angry, and told him he would not summons him. Your Petitioner demanded

the native doctor, who had extracted the shot from your Petitioner and the other complainants' wounds, as an evidence, but he was also refused. Your Petitioner's evidence at the general court-martial was most shamefully treated by the judge-advocate. Immediately an evidence came into court, prior to examination, the judge-advocate told him to be careful what he was going to say, he knew that he had come with a story made up prepared to deliver false evidence, for which he would be punished. To the first evidence a string of questions were put, and his answers were taken down;—the remaining evidence called into court were asked the same questions, but neither of their answers were taken down at the time; this accounts for the evidence appearing before your lordship in the same words. The judge advocate has inserted them so, and commented upon it solely to invalidate your Petitioner's evidence.—When Mr. Wray's bearer, who formerly declared himself not to be a servant of that gentleman, but a cooly from the bazar, and did not even know the gentleman's name, was giving evidence favorable to your Petitioner, he was stopped by the judge-advocate, who acquainted him that he was giving testimony very different to what he had done at the Court of Inquiry. The judge-advocate then, taking up the proceedings of the Court of Inquiry, read to him his evidence at that court, together with his answers to questions;—after d[redacted] four times, the bearer's testimony was taken down.

The judge-advocate on this trial, had been present at the Court of Inquiry. The Interpreter had been a member of the Court of Inquiry which had so ill used your Petitioner; at the time he sat as interpreter, he commanded the regiment to which the judge-advocate belonged, who was a junior officer of the regiment: the President of the Court was an officer of the regiment; the greater part of the members of the Court belonged to the regiment. These circumstances, your Petitioner submits, were not likely to be favorable to an impartial investigation; but were possible to have an undue influence over the Court.

That, your Petitioner's regiment was at the station, but not an officer of it allowed to sit even as a member of the Court. Your Petitioner, therefore, also submits, that he has been deprived of his rights, by not being allowed a portion of his own officers to investigate into his conduct. Your Petitioner requested his Commanding Officer to submit his solicitation of being tried at any other station, anticipating fully, if tried here, the disposal of the case as the result has verified.

That, your Petitioner was thus illegally and oppressively refused his evidence—was unjustifiably treated by the judge-advocate—had no one to plead his cause—no one attempted to assist him.—Your Petitioner was found guilty upon the first charge. But your

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